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The Report of The Citizens' Committee on the Finances of Pennsylvania

to

HON. GIFFORD PINCHOT

PART III:

Charitable Institutions and Hospitals

Tuberculosis Hospitals and Dispensaries

State Penal and Correctional Institutions

Private Charitable Institutions

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A Survey of the Fiscal Policies of the State of Pennsylvania as Related to Charitable Institutions and Hospitals

MADE FOR THE
CITIZENS' COMMITTEE ON THE
FINANCES OF PENNSYLVANIA

By

HENRY C. WRIGHT
Director of the
Hospital and Institutional
Bureau of Consultation, New York City

DECEMBER, 1922



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Acknowledgments.

The Citizens' Committee on the Finances of the State of Pennsylvania was appointed by Gifford Pinchot, then Republican nominee for Governor of the State of Pennsylvania, for the following purposes:

- (1) To secure and consider the best available figures showing the money income of the state from all sources during the current biennial fiscal period; to secure and consider the best available figures showing the probable total revenue from all existing sources during the next biennial fiscal period; and to make needful recommendations as to sources of revenue and methods of taxation, with the object of avoiding additional or unnecessary burdens upon the people of the state.
- (2) To inquire into the expenditures of all monies appropriated for any purpose by the legislative session of 1921; to consider the necessity for such expenditures; to estimate the probable deficits, where such exist, and to make needful recommendations for the more economical and effective expenditure of the state's funds.
- (3) To examine into the present methods of appropriating and expending the money received by the state from all sources; to make recommendations as to the fiscal policies of the state; and to propose a form of budget that will assist in preventing the appropriation of monies in excess of the probable revenue.

The Committee in undertaking its responsibilities early decided that it was advisable to have special surveys made of the spending policies of each of the larger departments through an expert peculiarly qualified in each respective field.

The Committee chose for the expert to make the survey of the fiscal policies of the state Charitable Institutions and Hospitals, Dr. Henry C. Wright, Director of the Hospital and Institutional Bureau of Consultation of New York City. Mr. Wright investigated the methods of fiscal control of state institutions on behalf of the Russell Sage Foundation and the State Charities Aid Association and made a report of the effect of different forms of govern-

ment on institutions. This report was published in 1911. Thereafter he was engaged by the City of New York to make an examination of the institutions of that city and made a report to the Board of Estimate and Apportionment recommending various changes in the administrative procedure. About as this inquiry was closing, Mayor Mitchel took office and asked Mr. Wright to take administrative charge of the municipal institutions of the city as First Deputy Commissioner of Public Charities. This function he exercised for four years during Mayor Mitchel's term. Thereafter Mayor Mitchel appointed him trustee of the Bellevue and Allied Hospital Department of New York City, in which department he is still trustee. This department administers five of the general municipal hospitals. He was chairman of a committee of the Federal Food Administration during the War, dealing with problems of food in institutions. He is a member of the Managing Committee of the Hospital Information Bureau. Recently he made an examination of the governmental system of Illinois as applied to institutions and has been in consultation in a number of different states on institutional matters. He originated the so-called Waste Control System which has been adopted in institutions of various states resulting in the saving of a good amount of money. He has given careful study to the question of purchasing particularly as applied to institutions.

Inasmuch as there are many important phases of public policy entering into the spending policies of each of these state departments it was deemed advisable to associate with each of the experts an advisory committee to add their judgments to the matter at hand.

The members of the Advisory Committee on the State Charitable Institutions and Hospitals are: Mr. R.E. Weeks, of Scranton, Pa.; Mr. Jacob Billikopf, of Philadelphia, and Dr. J. Clinton Starbuck, of Media, Pa.

These surveys by experts are made as reports to the Committee and the Committee has immediately released them for publication. The Committee, of course, cannot and does not take credit to itself for either the work or the recommendations. Credit in these matters is due solely to the expert and those who have advised with him.

**The Citizens' Committee on the Finances
of Pennsylvania.**

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I.

Scope of the Inquiry.

The primary aim of this inquiry is to determine what means and measures can be adopted, in connection with the supervision and operation of institutions of the state, to reduce operating costs and to restrict capital investment without lowering the standard of care. As touching penal and reformatory institutions the report deals only with food problems.

To secure data as a basis for recommendations the writer has inquired into the nature and effectiveness of the work of the Welfare Department, into certain phases of the work of the Health Department and has in person visited the following institutions:

STATE HOSPITALS FOR THE INSANE.

Harrisburg; Warren; Allentown; Norristown.

INSTITUTIONS FOR THE FEEBLE-MINDED.

Polk; Spring City.

HOSPITALS FOR THE CARE OF MEDICAL AND SURGICAL CASES.

Mercer; Ashland; Coaldale; Nanticoke; Scranton.

HOSPITAL FOR THE CARE OF TUBERCULOSIS.

Hamburg.

Two federal inspectors, one to examine fresh meats and the other to examine butter, were sent to the following institutions:

Harrisburg; Wernersville; Allentown; Danville; Warren; Norristown; Hamburg; Mont Alto; Cresson; Polk; Spring City; Laureldale; Muncy; Elwyn; Mt. Airy; Huntingdon; Morganza; Scotland; Western Penitentiary.

A statement of food purchased and produced during the year 1921 was requested from all the state and semi-state institutions according to a designated classification of articles. The federal

inspectors collected from the institutions samples of the following staple foods:

rolled oats	macaroni
rice	hominy
tapioca	dried prunes
beans	“ peaches
peas	“ apricots
cornmeal	“ apples

These samples were sent to Philadelphia and examined by an expert.

An examination was made as to the method of checking up food wastes in the institutions. Inquiry into the methods of buying was made. Such farm colonies were visited as existed. Inquiry was made as to the supervision of the Auditor-General's Office over the accounts of the institutions; also the relation of the Department of Grounds and Buildings to the institutions.

Examination was made in the Health Department of its method of purchasing for institutions under its care.

Study was made of the methods of purchasing by the Department of Grounds and Buildings.

Inquiry was made as to the collections made through the Attorney-General's Office for maintenance from patients able to pay.

Within the limited time assigned to the inquiry but a portion of the institutions could be visited, and only certain phases of the operation of the institutions and the work of the supervising departments could be examined.

It is the belief of the writer, however, that the examination has been sufficiently extensive to show a typical cross-section of the whole situation and to give a fair basis for conclusions and recommendations.

The findings and recommendations follow herewith.

State Institutions.

(State-Owned and State-Operated.)

CORRECTIONAL.

Eastern State Penitentiary, Philadelphia, Pa.
 Western State Penitentiary, Pittsburgh, Pa.
 Penna. Industrial Reformatory, Huntingdon, Pa.
 Pennsylvania Training School, Manganza, Pa.
 State Industrial Home for Women, Muncy, Pa.
 New Western State Penitentiary, Rock View, Pa.

MENTAL.

State Institution for Feeble-minded, Spring City, Pa.
 State Institution for Feeble-minded, Polk, Pa.
 Pa. Village for Feeble-minded Women, Laurelton, Pa.
 State Hospital for the Insane, Allentown, Pa.
 State Hospital for the Insane, Danville, Pa.
 State Hospital for Criminal Insane, Farview, Pa.
 Pennsylvania State Hospital, Harrisburg, Pa.

State Hospital for the Insane, Norristown, Pa.

State Hospital for the Insane, Warren, Pa.

State Hospital for the Chronic Insane, Wernersville, Pa.

Western State Hospital for the Insane, Torrence, Pa.

TRAINING.

Penna. State Oral School for the Deaf, Scranton, Pa.
 Home for the Training in Speech of Children Before They are of School Age, Philadelphia, Pa.
 Penna. Sailors' and Soldiers' Orphans' School, Scotland, Pa.

HOME FOR AGED MEN.

Penna. Soldiers' and Sailors' Home, Erie, Pa.

STATE HOSPITALS.

(Medical and Surgical.)

Ashland	Mercer
Blossburg	Nanticoke
Coaldale	Philipsburg
Connellsville	Scranton
Hazleton	Shamokin

Semi-State Institutions.

(Privately Owned and Operated, but Operated with State Money.)

Dixmont Hospital for the Insane, Dixmont.
 Penna. Institution for the Deaf and Dumb, Mount Airy, Pa.
 Western Penna. Institution for the Instruction of the Deaf and Dumb, Edgewood Park, Allegheny Co., Pa.

Penna. Training School for Feeble-minded Children, Elwyn, Delaware Co., Pa.

Penna. Institution for the Instruction of the Blind, Overbrook, Pa.

Western Penna. Institution for the Blind, Pittsburgh, Pa.

The Glen Mills Schools, Glen Mills, Delaware Co., Pa.

Summary of Findings.

(1) The Department of Public Welfare has made noteworthy progress during the one year it has been in operation. The standards of care in most of the institutions have been improved; mental clinics have been established; child care has been more systematized and humanized and a uniform system of bookkeeping has been adopted for institutions which will give a basis for accurate information. (Pages 13 to 27.)

(2) The Department of Health operates directly three tuberculosis hospitals. For these hospitals it is doing the buying at the central office. The standard of care of patients is good. The control it exercises over the institutions, however, is not so satisfactory. The per capita food consumption ranges from 1,722 pounds per year in Cresson to 3,211 pounds per capita per year in Mt. Alto. The latter institution issued nearly 9 pounds of food per capita per day. (Page 93.)

(3) The state operates ten general Medical and Surgical Hospitals over which it has almost no control. These hospitals were originally designed for miners, and through the process of years they have gradually been opened to all classes of patients from the community; they have also provided many private rooms. A patient may pay as high as \$8 a day for a room, yet pay nothing to the state for a major surgical operation.

Some of these hospitals have built and are building additions to provide for private rooms. Money for the construction of these additions was secured from the public without specific permit or supervision by the state, and when the buildings are completed the state will be asked to maintain them.

In the same general coal region the state has provided for miners in private hospitals at a cost of \$1.30 a day, whereas it is costing the state to care for like cases in its own hospitals from \$1.70 to \$2.25 per day. (Page 30.)

(4) At but one institution in the state are Farm Colonies being organized. At this institution, the State Homeopathic Hospital, Allentown, beds were provided in the two Farm Colonies at the rate of \$1,333 per patient, whereas the cost of a bed in the parent institution was \$1,886 per patient. In addition, the State, through purchasing the buildings on the farms for housing patients, secured

272 acres of land gratis. Moreover these patients will maintain themselves without cost to the state. (Page 36.)

(5) The question of turnover at the institutions is not getting the attention it should. Institutions will be serviceable to the extent that they can diagnose, improve or cure and return patients to the community. (Page 37.)

(6) There are practically no standardized salaries or wages, or specifications in the State of Pennsylvania. The rate of salaries or wages varies greatly in the institutions. There is no uniformity, with few exceptions, in the titles to positions; thus it is practically impossible to compare payrolls. Resident physicians receive \$3,600 in the Western Penitentiary and \$2,400 in the Eastern. Bookkeepers are rated at \$2,580 in the Western and \$2,000 in the Eastern. Attendants in Spring City receive an average of \$42.50 per month and in Polk a maximum of \$60 per month. (Page 41.)

The specifications for supplies are made out by each institution and they differ widely in the quality of things specified and in the terms used to describe articles. For instance, Elwyn specifies:

"Beef, fresh."

The State Hospital for the Insane at Allentown specifies:

"Steers, good quality, entire carcass, 650 to 750 lbs.

"The above to be selected from native healthy cattle. Less than 650 lbs. and under four years old will not be accepted under this contract."

The foregoing variations in specifications are illustrations of differences in nearly all lines of food purchased. (Page 37.)

(7) Buying is done by each institution, except that food for the Tuberculosis Hospitals is purchased by the Health Department. Although considerable irregularity was noted in the various grades of food delivered, nevertheless the variation was not greater than noted in connection with the purchase and delivery of food in New York state, Indiana, Illinois and Iowa. Fair prices in most cases seemed to be obtained. Certain exceptions were noted. The most noticeable differences were in the qualities of things purchased. Some institutions bought beef as low as 10 cents a pound, others paid as high as 14.65 cents per pound. Print butter was used quite freely by officers, where good tub butter was available. Some institutions are using butterine, which is against the law in the state of Pennsylvania. At Muncy, a carload of steers was purchased for beef purposes and some of them have not yet been

butchered, although purchased more than two years ago. (Pages 45 to 63.)

(8) The state of Pennsylvania does central purchasing for institutions in a small way, viz., the Health Department, through a purchasing agent at Harrisburg, purchases the food and supplies for the three tuberculosis hospitals operated by that Department. These three institutions in the aggregate during the year 1921 had an average population of 2,013. For these people the purchasing agent purchased 133,558 pounds of sugar at an average of .104 per pound. The sugar for all other institutions in the state was purchased by each. Twelve of the smallest of these institutions had a combined population of 1,998; the smallest had 39 and the largest 413. The average price paid for sugar by these twelve small institutions was .0655 per pound, as contrasted with the price of .104 paid by a central agent purchasing for a like number of people. Had the Health Department agent purchased at the prices paid by the small institutions, each purchasing separately, the saving to the state would have been \$5,142. (Page 78.)

(9) The state of Pennsylvania is probably losing at least \$95,000 a year by its inability to pay cash for supplies delivered to institutions. (Page 87.)

(10) Marked differences in the quantities of food consumed in the various institutions of the state were noted. Consumption ranged from 839 pounds per capita per year for Mt. Airy to 3,211 pounds per capita per year at Mt. Alto. The yearly per capita consumption for the various classes of institutions were as follows:

Hospitals for the Insane.....	1,273	pounds
Institutions for the Feeble-Minded.....	1,347	"
Medical and Surgical Hospitals.....	1,196	"
Prisons.....	1,755	"
Tuberculosis Hospitals.....	2,350	"
Miscellaneous Institutions.....	1,294	"

Average for institutions in the State 1,544 pounds.

An adequate per capita consumption of food per year, taking the state as a whole, is about 1,250 pounds. Tuberculosis institutions would require 1,600 to 2,000 pounds, while certain other institutions need about 1,000 pounds. (Page 95.)

II.

Summary of Recommendations.

The following recommendations apply to state-owned institutions:

(1) It is recommended that the Public Welfare Department be continued and its powers enlarged. (Page 27.)

(2) The operation of general medical and surgical hospitals by the state is discriminatory as between sections of the state, and as between industries. The state can adequately care for miners in private hospitals. It is recommended that effort be made to arrive at some method of accomplishing this purpose. (Page 31.)

(3) It is recommended that additional manufacturing be carried on in institutions for the purpose of supplying their own needs. (Page 33.)

(4) It would cost the state at least \$15,000,000 to provide needed bed capacity in institutions built like those at present existing. More wholesome care can be provided in colonies for a very small fraction of the amount which it would cost to provide a like number of beds in institutions.

It is recommended that effort be made to develop additional capacity as needed in the form of colonies. (Page 36.)

(5) It is recommended that the state make adequate appropriation to provide the necessary staff for re-examining patients; also appropriation to provide social service departments, to the end that there will be a much more rapid turnover in institutions than at the present time, thereby rendering the existing bed capacity much more serviceable and postponing the time when it may be necessary to make further capital expenditures for additional beds. (Page 37.)

(6) As shown in the Report little has been done in the way of standardization in the State of Pennsylvania. To provide for standardization it is recommended that there be assigned to an agent or bureau, to be attached to some existing department, power to standardize all salaries and wages and all things purchased by the state, subject to the following conditions: (Page 79.)

(a) No specification to become fixed as a standard until it shall have been approved by the head of the department using the supplies described in the specification.

(b) The head of the department to have the power to authorize a specific purchase under a modified specification provided he notifies the Bureau of Standards and Purchase and the Auditor-General, stating his reasons for the modification and the estimated difference in cost of the article under the established and modified specifications.

(c) The agents receiving supplies purchased under the specification to have the power to receive articles of an emergent nature which do not comply with the specifications provided an appropriate deduction is made to cover the deficiency. All contracts to provide for such possible deductions.

(d) In standardizing a salary or wage scale for a particular class of work or service the location of the work and the condition under which the service is rendered be taken into consideration.

(7) The agent or bureau mentioned in the foregoing number to be given also the power to purchase and furnish information subject to the following conditions:

(1) To purchase:

(a) All furniture, equipment and supplies used in the offices of the Government at Harrisburg.

(b) All equipment, materials and supplies used outside of Harrisburg, voluntarily requisitioned by the head of any department.

(2) To collect and furnish on request market prices and such other information as will be serviceable in purchasing.
(Page 80.)

(8) It is recommended that there be created in the Department of Welfare a committee on standards and purchase, consisting of officers of institutions, which will consider specifications submitted for approval by the Bureau of Standards and Purchase and which will also recommend to the Commissioner things that can be advantageously purchased by the Bureau of Standards and Purchase. (Page 80.)

(9) It is recommended that there be organized and conducted a School for Stewards. This School to be designed to instruct stewards as to trade customs and conditions and to acquaint them with the various grades of food supplies and materials. (Page 82.)

(10) It is recommended that a distinct and persistent effort be made to induce each of the institutions to install and operate a Food Waste Control System. (Pages 83 to 85.)

(11) It is recommended that questionnaire forms be devised by the Attorney-General's Office on which will be recorded information with regard to a patient being admitted to a hospital for the insane. Such forms will obviate the necessity of sending agents from that department to the institutions, thereby increasing the effectiveness of the agents already employed. (Page 85.)

(12) It is recommended that serious consideration be given to the possibility of making advance payments to institutions which will enable institutions to avail themselves of cash discounts. (Page 87.)

(13) It is recommended that budgets of institutions be submitted to the Commissioner of Public Welfare for approval and by him transmitted to the Governor and by the Governor transmitted to the Legislature; that these budgets be in great detail, as submitted to the Public Welfare Commissioner, but the appropriations to be made by the Legislature to be divided into the following heads only:

- (1) Maintenance,
- (2) New Equipment,
- (3) New Buildings,
- (4) Additional Land.

(Page 129.)

(14) It is recommended that the Governor be given power on the application of the Public Welfare Commissioner, during the biennial period, to transfer appropriations from one line to another in one institution, or from one institution to another. (Page 131.)

(15) It is recommended that a fund be appropriated to the Auditor-General for the purpose of meeting emergencies to be defined in the Act and limited to buildings destroyed by fire or tornado, destruction by flood, catastrophies, epidemics, insurrec-

tions or invasions. The expenditures from this emergency fund to be made only on the approval of the Governor.

(16) It is recommended that no expenditures for institutions be made from the appropriations providing for new equipment, new buildings and additional land except on approval by the Public Welfare Commissioner. It is further recommended that the institutions be permitted to expend the appropriation for maintenance without approval by the Public Welfare Commissioner, but that he be empowered to require of each institution a monthly statement in terms of the budget on file in his department, setting forth all articles and supplies purchased, giving quality, quantity, unit and total cost, and firm from which purchased; that the Commissioner consolidate such information from the various institutions and send it to each as a means of information and regulation. (Page 134.)

(17) It is recommended that trustees of institutions be appointed by the Governor only on recommendation by the Public Welfare Commissioner. (Page 135.)

(18) It is recommended that superintendents of institutions be appointed by the trustees only on the approval of the Public Welfare Commissioner. (Page 135.)

(19) It is recommended that the three tuberculosis hospitals now operated by the Department of Health be placed under the supervision and control of the Department of Public Welfare after a sufficient lapse of time to enable the Department of Public Welfare to more thoroughly establish its work. This intervening period may be from one to three years. The reasons for this recommendation are as follows:

(a) The primary work of a health department is the prevention of disease, and not the cure of a disease once seated. Anything which tends to divide the interest of the department of health and transfer it away from the preventive field, tends to lessen the effectiveness of that department.

(b) The regulation of institutions requires technical knowledge of markets, buying conditions, operation of power plants, laundries, storage of food and supplies, control of the use of supplies, cooking, etc. These various items of information do not fall naturally in the line of the work of a health department, but are a part of the equipment of a bureau which

supervises institutions. The Department of Public Welfare must have a Bureau for the supervision and control of the many institutions in its Department. That same knowledge would be applied to the operation of the tuberculosis hospitals.

(c) It would cost considerably less to supervise these three institutions when grouped with other state institutions than to create and operate a bureau for such supervision in the Department of Health.

Should the institutions later be placed under the Department of Public Welfare, it is further recommended that a board of trustees be created for each institution, and that nominations for membership on these boards be made by the Public Health Commissioner instead of by the Public Welfare Commissioner.

It is further recommended, if the law be not at the present time clear, that the Department of Health has power to enter into any institution of the state and prescribe methods of care for infectious and contagious diseases, that the laws be so amended as to unquestionably give the Health Department such power.
(Page 136.)

III.

Summary of Estimated Savings to the State by Some of the Methods Recommended.

Annually

- (1) General, Medical and Surgical Hospitals: By discontinuing direct operation by the state of these hospitals and providing for the charity cases now cared for by them either in the same hospitals or other hospitals.....\$100,000
- (2) Colonies: By establishing farm and village colonies; for each one thousand housed in this manner..... 250,000
- (3) Turnover in Institutions: By a better diagnosis, and parole from hospitals to their homes; for each one thousand patients..... 250,000
- (4) Standardization of Food Supplies: It is impossible to give an estimate of any value of the saving that may be derived from the standardization of food supplies. It may be said, however, with confidence, that the saving will be large. There should be a saving of several hundred thousand dollars.
- (5) Standardization of Salaries: It is impossible to make an estimate of saving due to the standardization of salaries. In fact there may be no saving, some salaries may, at the present time, be too low, while others are too high. Standardization might simply produce much better operating results without securing direct economies.
- (6) Central Purchasing: Little economy will be secured by central purchasing. The most that can be hoped for is that a more uniform product would be secured, thereby benefiting the institutions of the state without showing an economy which could be registered.
- (7) Control of Food Waste: The institutions at the present time are using on an average yearly 300 pounds more per capita than is necessary. If by the intro-

duction of a Food Waste Control System 150 pounds of food per capita per year could be conserved, the state would save thereby.....	\$225,000
(8) Cash payment for supplies: If the institutions could avail themselves of cash discounts the state would save fully.....	95,000
(9) By providing for a system for the control of the purchase of new equipment, for the erection of new buildings, and the acquisition of additional land, the state will undoubtedly save considerable. It is impossible, however, to make an estimate of the saving by this procedure.	
Total	\$920,000

All of the foregoing economies are approximate. It must not be assumed that they are readily obtainable. Without the hearty co-operation of all superintendents it is very difficult to bring about reforms speedily. It is highly probable that a portion of the possible economies listed can be secured at the present time, and year by year as the machinery and supervision of control are improved more and more economies may be expected.

IV.

The Department of Public Welfare.

The Department of Public Welfare was organized under an act passed by the Legislature in 1921. This act created a Department of Public Welfare, and transferred to this department all the powers heretofore exercised by the Board of Public Charities (including its Committee on Lunacy), the Prison Labor Commission and the Mothers' Assistance Fund. No powers were granted to the new department other than the powers theretofore exercised by each of the foregoing three boards.

For the purpose of carrying out the powers transferred by this act the new department was organized under the following bureaus:

The Bureau of Mental Health,
 The Bureau of Assistance,
 The Bureau of Restoration,
 The Bureau of Children.

The Bureau of Mental Health (established in the act) has the function of looking after the welfare of mental cases in hospitals for the insane, in institutions for the feeble-minded, in prisons—and of those on parole from such institutions—and the supervision of clinics designed to care for mental cases residing in their own homes.

The Bureau of Assistance has supervision of the fiscal relation between the state and all institutions receiving state money. It also has supervision of the standards for all these institutions excepting those pertaining to children, and penal and reformatory cases. This bureau also has supervision of any relief provided by the commonwealth in connection with mine-caves, fire, flood or other casualty.

The Bureau of Restoration has supervision over all penal and reformatory institutions, state and county, and of the administration of prison labor.

The Bureau of Children has supervision, and standardization, of all institutions, associations, societies, et cetera, admitting or caring for defective (other than mentally defective), delinquent and dependent children. It has supervision, and standardization, of all institutions admitting and placing out defective, delinquent and dependent children; of all agencies and societies, et cetera, caring for and placing out dependent and neglected children, and of facilities for probation and parole of delinquent children; and supervision and administration of the Mothers' Assistance Fund.

This Department (of Public Welfare), though exercising only the powers heretofore exercised by the three Boards, within the year of its existence has made very distinct advances in the supervision of the care of mental cases, children and penal and reformatory cases. It soon discovered that there was no correlation between the Departments of Health, Labor and Industry, Public Education and the work formerly carried on by the Board of Public Charities. Accordingly, the Department secured the co-operation of these other agencies in an agreement to organize a Commonwealth Committee designed to co-ordinate the work of these departments. This committee, consisting of two representatives of each of the departments, functions for the whole state. In each county is organized a committee composed of official

representatives of the departments and, in addition, five (5) members selected from the various voluntary associations dealing with public welfare matters. This local county committee is the co-ordinating body for the local district, and, before any one of the four departments initiates work in the county, that work is discussed by the local county committee, thereafter by the central co-ordinating committee, and a recommendation is made by this committee as to the work which is believed to be advisable to initiate.

One of the most important pieces of work undertaken by the new department is the establishment of a uniform bookkeeping system for all institutions receiving state money. Although the main headings of this bookkeeping system are used in all institutions, the smaller institutions are not required to carry out all the details of the more extensive system. Thus an elastic system is provided, adapted to both large and small institutions.

The system is designed to so standardize expenditures and receipts that cost figures will be comparable between institutions. Under this system monthly reports are made to the department showing the general financial condition of each of the institutions using state money. Before this uniform system was adopted such institutions as kept books kept them in a form of their own choosing, and many institutions had no bookkeeping form which could rightly be called a system. Thus it was impossible for the state to know to what degree the various institutions were properly expending money appropriated by the state. Now that the system has become uniform in all institutions receiving state money, and monthly reports are being made, the state, through the Department of Public Welfare, is fully informed as to the use that is being made of the money that has been appropriated for the care of charitable cases.

In visiting the institutions it was noted that there was some resentment because some of the institutions had been required to discard such systems as they had been using and to replace those systems with one devised by the Public Welfare Department. In some instances there was a partial ground for resentment, because the order had been misinterpreted to require the smaller institutions to carry out the fuller system, whereas it was intended that the more abbreviated system was to apply to such smaller institu-

tions. It was quite natural that private institutions should feel that the state was interfering with their private matters. But it is obvious that, if the state is to appropriate money to private institutions in a lump sum, the state should know how that money is expended; and it cannot have such knowledge unless there is a uniform system by which accounts are kept.

The Public Welfare Department is warranted in requiring such a system, and the resentment noted, though understandable, is without justification, and will undoubtedly subside when it is realized that the state is warranted in securing full knowledge of the expenditure of its appropriations.

A further object of the uniform accounting system is to furnish an accurate knowledge as to the cost of maintaining charitable patients as a basis on which to formulate a budget for the succeeding legislature.

Previous to the organization of this Department, with negligible exceptions, the Legislature had before it, when considering appropriations for private and state-owned institutions, little more than a statement of the receipts and the expenditures for the preceding biennial, with practically no details of these receipts and expenditures. In other words, it was impossible for the Legislature to analyze expenditures, to determine whether or not they had, in whole or in part, been warranted. Under those conditions it was possible for institutions to be grossly extravagant, and to have shown a deficit, whereas no such deficit would have existed had the institutions been sufficiently economical.

Under the uniform bookkeeping system that now exists, the Governor and the Legislature will have in hand when considering appropriations full details of the various elements of cost of all institutions. With these details in hand the Governor and Legislators can exercise judgment as to whether or not a deficit were warranted, and as to whether or not the appropriation asked for is needed. In other words, the bookkeeping system gives a basis for a budget designed to cover the needs of an institution when economically operated and administered.

The uniform bookkeeping system for state-owned institutions requires reporting in terms of the detailed budget for the succeeding biennial. Through it the Governor and the legislature can be fully informed of every requirement of the institution. Such

knowledge was not possible when the system of bookkeeping varied with each institution.

Bureau of Mental Health.—The insane in the State of Pennsylvania have been considered as local rather than state patients. About half of the total number have been cared for in state institutions and the other half in county institutions and private institutions subsidized by the state. Many states conceive of the insane patient as a state ward, to be cared for in a state-supported and operated institution; and such states have accordingly provided by law that all insane of the state, when cared for in institutions, shall be provided for in state institutions. Not until the organization of the Public Welfare Department was this policy accepted and acted upon in the State of Pennsylvania. The new department, however, knowing that the best and most progressive treatment of the insane in the United States is in those states which had adopted state care, deemed it advisable to adopt state care as a departmental policy, to be gradually worked out as opportunity and finances would permit. In pursuance of this policy the Department has abolished eight county insane asylums, transferring the patients to state institutions. There are twelve remaining, which, if the policy is maintained, will be discontinued as accommodations are provided in the state institutions.

The primary reason for this policy is that the diagnosing and the care of the insane are so complicated that a county can seldom afford to provide a plant suitable and a staff competent to handle the problem adequately. At present about half of the insane of the state are inadequately provided for, and many patients are retained in insane asylums who could be returned to their families and relatives were competent diagnosing and treating facilities available.

A policy of state care is not likely to cost the state more in the aggregate than the present divided policy of part county care and part state care, inasmuch as the state can afford to organize and operate social service departments that will enable the institutions to parole large numbers of the patients to their homes under the supervision of parole agents.

The department does not have in mind the abandonment of the county plants now used for the care of the insane, but rather plans to utilize these plants for the care of confirmed custodial feeble-

minded cases. Such a program might seem, to one not versed in the difference between insanity and feeble-mindedness, to be a change without an improvement. But there is a possibility of cure in all cases of insanity. In other words, insanity is a disease subject to treatment, while feeble-mindedness in most cases is an inherited physical defect which cannot be overcome or alleviated. A pronounced mental defective case will never improve. For this reason a large portion of mental defectives must be cared for by the state as custodial cases, and can be cared for without injustice to themselves in county institutions.

The country physician is trained in the diagnosis of various forms of diseases and physical ailments. Seldom is he trained in the diagnosis of mental difficulties. For this reason any person feeling physically ill can consult a local physician with a reasonable ground of hope that an early diagnosis will ward off a possibly serious disease. This opportunity has not existed for those threatened with a mental ailment, since there are not available in the field mental diagnosticians. The great majority of persons afflicted even with an incipient mental ailment have found it necessary to go to a hospital for the insane for treatment. To obviate this shortcoming the Department of Public Welfare has begun to organize mental clinics, some of which are held at institutions for the insane and others at various locations in towns and cities. To these clinics any person suspecting the oncoming of a mental ailment can go for diagnosis and advice. Up to the present time the Department has placed in operation sixteen of these mental clinics, and contemplates the organization of many more. Through the instrumentality of these clinics the need for accommodations in hospitals for the insane will not be increased in the ratio as of past years. At the same time many citizens will be saved from permanent insanity.

The Department, recognizing the great value of occupational therapy, particularly for the insane, has organized this work in a number of the state hospitals, and proposes the introduction of this form of treatment in all of them. Occupational therapy means the doing of anything which will tend to distract the mind of a patient (or insane person) from a contemplation of his ailment. Many persons slightly insane have had their condition greatly aggravated by the fear of insanity; and large numbers of persons

in other states, where occupational therapy has been longer in use, have been cured by the occupation of their minds in the doing of a variety of tasks. Nothing is more depressing than to go through hospitals for the insane and see hundreds of men and women sitting idly—with nothing to do—contemplating their ailment and their own worthlessness to society. Not only does occupational therapy cure a great many cases, and mentally relieve others that cannot be cured, but at the same time, by sending patients out of the hospital, it also releases the beds for other patients, thus making the investment of the state in these hospitals much more serviceable.

One of the most familiar and at the same time distressing pictures in the insane hospitals of but a few years ago was that of patients in strait-jackets and other forms of physical restraint. Owing to a lack of knowledge of how to treat patients, and owing to scarcity of help and to low-grade help, this seemed to be the only way to handle a violently insane case. Of recent years it has been discovered that almost all cases of violent insanity can be temporarily relieved and the patient quieted by various forms of treatment, among which is the continuous bath. The most advanced hospitals for the insane use no physical restraints.

The Department of Welfare has succeeded in abolishing nearly all physical restraints in the hospitals of the state where until comparatively recently such procedure was quite customary.

Some of these improvements—such as those above mentioned—would naturally be made by the most enlightened superintendents of their own volition; other improvements require additional funds, which probably could not be secured by a single institution, but when a plea is made by a department, with illustrations of the advantage to be gained by increased appropriations, the funds are usually forthcoming, to the advantage of the inmates of all hospitals. Moreover, by the adoption of such programs on the part of a department, superintendents with less initiative and foresight may readily be stimulated to put into effect the more enlightened programs.

A survey of the hospitals for the insane was made in 1914 by a Dr. C. Floyd Haviland, now president of the State Hospital Commission of New York State. A resurvey was made in 1917 by Dr. William Charles Sandy, now at the head of the Bureau of Health

of the Department of Public Welfare. Both of these surveys showed serious defects in many of the hospitals of the state. These defects are all charted in the Department and, as rapidly as possible, are being overcome. It is probable that within a comparatively short time most of the shortcomings will be eliminated.

The Department of Public Welfare of the State of Pennsylvania, through its Bureau of Mental Health, is rendering a real service to the mentally afflicted of the state.

Bureau of Assistance.—Pennsylvania is one of the very few states of the United States that cares for an indigent patient in a medical or surgical privately owned hospital. This policy is adopted by many cities, but it is not considered a proper function by states. Such a program can be carried out wisely only when accompanied by some system of procedure that will insure the state that the patient cared for is really indigent. Heretofore there has been no process in operation in the state designed to secure this information. It has been and still is the custom of the state to make a lump sum appropriation to designated private hospitals for the care and treatment of indigent patients. The only check the state has had upon the expenditures of these hospitals for this purpose is a review of their total expenditures for operation.

As a partial check on the lump sum appropriation the Department of Public Welfare has required each hospital receiving state money to organize and maintain a credit department, the function of which is to examine the ability of each patient to pay for his care in the hospital. Although these credit departments have been instituted but a comparatively short time and in but few hospitals, marked results are being obtained. One hospital within three months after the organization of the credit department gained in receipts \$4,500 over those normally expected from the same number of patients when operating without such a department. It seems highly probable that, with the efficient operation of such a department, in each of the general hospitals receiving state aid, the amount of money necessary for the state to appropriate to these hospitals can be greatly reduced.

The present procedure of appropriating a definite amount of money to a private hospital for the care of the indigent sick is a procedure which should receive careful reconsideration and review. At the present time these appropriations are roughly based upon

the amount of free work done by the hospital during the preceding biennial, after appropriation has been made to cover any deficits. It seems to have been the general practice to grant a hospital, first, an appropriation to cover the deficit in operating expenses for the preceding biennial, and then to grant an appropriation for free work during the coming period. There has been no way of assuring the Legislature that it was not granting either too much or too little to a specific hospital. If the appropriations to the various hospitals during any period be divided by the number of free days' treatment it will be found that the rate per patient thus granted by the state varies greatly as between hospitals. In other words a hospital that did a large amount of free work may have received a much lower rate for its work than did a hospital that did a much smaller amount of free work. Moreover the appropriation to each of these hospitals is provided for in a separate act, thus creating a situation that seemed to invite the supporters of each of these hospitals to come to Harrisburg and lobby for as large an appropriation as might be secured. This procedure has unwarrantedly occupied the time of committees and of legislators, and has thrown the various hospitals into unjustified rivalry and competition.

The Department of Public Welfare believes that this procedure could be changed to the advantage of the state, to the hospitals and to the patients. It is inclined to endorse a recommendation that a blanket appropriation be made for the care of the indigent sick in the privately owned medical and surgical hospitals, and that the department be authorized to pay to each hospital caring for free cases an established amount for each such case cared for. Under this procedure each hospital would receive compensation directly in proportion to its work, and the same ratio of pay would be maintained for all hospitals. Under such a procedure the only safeguard which needs to be exercised by the state through the Public Welfare Department would be that it assured itself that the free case registered and cared for was actually an indigent case, and that the case had received proper care, i. e., that the hospital was maintaining a certain degree of efficiency in its medical service. Under this procedure there would be no occasion to inquire into the expenditure of the hospital nor to supervise its book-keeping system. It is a procedure which would be very much less

expensive to supervise, would cause much less irritation on the part of the privately owned hospitals, and would treat each hospital equitably and on the same basis as all other hospitals. Also, it would require less appropriation on the part of the state, and at the same time would insure the indigent patient better care.

This phase of the work of the Department of Public Welfare will be set forth more fully by another investigator.*

Bureau of Children.—An accurate running history of the child so filed that it will always be available is a very important factor in handling dependent children. A great variety of circumstances arise from time to time that bear upon the relations of a child to its former parents and to its foster-parents or guardians, and it is important, when a child has been dealt with by any official department, that the records be so complete and available that whatever may happen in future years that bears upon the child's welfare may be readily compared with what has happened in the past. This can be done only when a faithful record of all relations and happenings have been accurately reported and are immediately available.

The Department of Public Welfare, sensing the importance of these matters, has instituted new record systems, so arranged that of every child dealt with there is a complete history on file, and from the time it is taken in hand its subsequent career is accurately and fully recorded. This record is so indexed that it is immediately available regardless of where the child may have come from, whether from a remote section of this state or from some other state. Only lawyers, courts and those who have much to do with children realize the importance of these accurate and available records.

In this state, as in others, orphans have heretofore been cared for as though the obligation of the state and of society was fulfilled when the child was fed, kept warm, and had sufficient clothing to render it reasonably presentable. Under this view of child care the children were seated at long bare-topped wooden tables, with benches instead of chairs. They were dressed all alike because it was slightly cheaper to buy gingham by the bolt. Common towels and common hairbrushes and combs were used. The children seldom had toothbrushes.

*See report by Mr. Kenneth Pray.

The Department of Public Welfare found a good many institutions in this state still operating under that old conception of child care. Although in the one year the department has been in existence not all of these objectionable features have been corrected, nevertheless they have been entirely eliminated from some institutions and encouraging progress has been made in most.

One of the main defects of children's institutions has been the lack of intelligent attention to the dietary. The children have not been deprived of a reasonable quantity of food but rather have been deprived of a health-giving variety. Children not infrequently are very notional as to what they eat. At times they will refuse proper and good food. An institution that gives little attention to the individual seldom notes the refusal of food on the part of the child. As a result the child is frequently undernourished. This type of institution, quite prevalent in the past, was noted in this state and particular effort was put forward by the Department of Public Welfare designed to secure better feeding of children in institutions. New dietaries were made out and suggestions given superintendents as to methods of installing them economically. The result has been that improved dietaries, providing for greater varieties of food, much better adapted to the needs of growing children, have been adopted generally, supplanting the former heavy, monotonous dietaries which were so ill adapted to the children's needs.

The Department is endeavoring to instill into the institutions the idea that each child is an individual, to be treated as such in dress, personal possessions and all things that make one child wish to do differently than another child because he is different. Encouraging progress is being made along this line.

The Juvenile Courts in the various counties had not, apparently, established the fullest contact with the various agencies and institutions that took care of the children subsequent to court action. Owing to this lack of knowledge not infrequently a disposition was made of the child which was not the wisest. A special effort was made on the part of the Department to give fuller information to the Juvenile Courts throughout the state and to establish a cordial relationship between the courts and all of the agencies and institutions that subsequently had to deal with the children that came before the court. These efforts on

the part of the Department have met with an encouraging reception.

It has been and still is possible for organizations and individuals in other states to place children in private families in this state without a permit for such placing or any notification that a placing has been made. Thus there are in this state many hundreds of children, once dependent but now in the charge of boarding homes or of foster-parents, whose homes were formerly in other states; and the character of the care now being given to these children is known to no one, not even to the original placing agencies or individuals.

The Department of Public Welfare, sensing this unfortunate condition, called representatives from different states to this state for conferences for the purposes of devising some agreed-upon method for the interchange of information when children are sent from one state to another.

One of the things that impress the casual visitor to the Department is the fact that each member of the staff of this Bureau has had broad experience in the type of child-care work to which she has been assigned. No doubt much of the success of the bureau is due to its wisdom in selecting a staff with such qualifications.

Though the writer has had neither the time nor the opportunity to make a detailed analysis of the child-work of the Department, nevertheless the impression he has received is that enlightened, up-to-date child-care work is being inaugurated and carried on.

Bureau of Restoration.—As previously mentioned there was assigned to the Department of Public Welfare at the time of its organization the work formerly done by the Prison Labor Commission. The Department has made commendable progress during the year in connection with penal and reformatory problems. The shops at the Eastern and Western Penitentiaries and at Huntingdon Reformatory have been much enlarged, and about 700 of the inmates are daily employed, as against about 300 during the previous years. The shops are all well equipped and each shop is showing a profit. The various county penitentiaries, reformatories and prisons have been visited, and constructive criticisms have been offered. In many cases the suggestions made have been carried out, much to the benefit of the prisoners.*

*For a full report on the penal and reformatory institutions, see report by Dr. Louis N. Robinson.

Program of the Department.—An individual, institution or government may be evaluated largely by its program for future action. A department head or superintendent of an institution who takes more time to describe what he has done than what he intends to do has probably ceased to progress. The Department of Public Welfare is laying much more stress upon what it hopes to do than upon what it has done. This would not be impressive or convincing if the accomplishments did not give a basis for reasonable confidence that the hope for reforms in quite a measure will be realized.

The Department hopes to secure legislation accepting on the part of the state, state care of the insane as a recognized state policy. It hopes to secure increased accommodation for the feeble-minded by being given power to use for their care county institutions now caring for the insane.

At the present time the state institutions have widely differing types of organization. In some cases a physician is in full charge. In other cases there is a dual head—a physician and a steward—each reporting separately to a board of managers. Some institutions have no board of managers. The Department believes that a higher grade of superintendents of institutions could be selected if appointments were made by the board of managers only on the approval of the Department of Public Welfare.

It is impossible for a court to so thoroughly understand and analyze a case before it that the case will invariably be sent to the right institution. Not infrequently an inmate of an institution for the feeble-minded should be transferred to a hospital for the insane, or vice versa. Not infrequently a prisoner though sane when committed becomes insane, and should be cared for in a hospital for the insane. There are a variety of conditions under which it would be advisable to transfer inmates of one institution to another, and the procedure of making this transfer should be comparatively easy. The Director of Public Welfare in the State of Illinois has this power of transfer, and the Commissioner of Public Welfare of Pennsylvania believes that it would be to the interest of inmates if he were given that power.

The Commissioner of Public Welfare has initiated departments of social service in some institutions and hopes to establish these in each institution. Agents of such departments would investigate

home conditions, to learn when it is feasible to send inmates out, and would make subsequent periodical visits to the homes of such inmates to see how they were conducting themselves.

The act creating the Department of Public Welfare gives it power to inspect county jails and penitentiaries, but does not include like municipal institutions. Since the municipal institutions are performing the same service as the county institutions, there would seem to be every reason why the power conferred upon the Department of Public Welfare as touching the county institutions should be extended to include the municipal institutions.

Inasmuch as the Mothers' Assistance Fund is a means of caring for dependent children, it is the belief of the Commissioner of Public Welfare that his department should be able to influence that phase of children's work at least to the degree that it now influences other phases, and to this end he believes that the nominations of trustees of the Mothers' Assistance Fund in each of the counties should come before him for his consideration and approval before being acted upon by the Governor.

The income from prison labor can be used only for the purchase of raw material, the payment to prisoners for work done and administration expenses. It is the belief of the Commissioner that such funds could properly be used also for conducting occupational schools.

It is within the power of an institution to refuse a case when in the judgment of the superintendent or Board the case is for some reason not desirable. The power to refuse admission to cases when there is room for them enables the superintendent to make selections which, however beneficial to the institution, are unwise from the standpoint of the problem to be handled. For instance, there has been an endeavor for over a year to get an imbecile boy in one of the state institutions. Admission has been refused. There is no power extant now to compel an institution to receive this imbecile. A superintendent naturally likes to receive high-grade mental defectives, because they are less care to the institution and they can be used in productive labor; but from the standpoint of the state it is highly necessary, many times, to have the imbecile, who cannot care for himself, placed in an institution. The Commissioner of Public Welfare believes that

the power should reside in his department to compel the receiving of cases.

At present baby farms, maternity homes, child-caring institutions, organizations for placing out children, day nurseries, et cetera, can be organized and put into operation without the necessity of applying to any officer or department for a permit or license. The Commissioner of Public Welfare believes that the need for such an organization or institution, or the responsibility of the parties intending to organize it, should be passed upon by his department, whose responsibility it is to look after the general welfare of children.

The laws relating to children and dependents in the State of Pennsylvania have been passed from time to time. They are general in some cases and in others apply to cities or counties or specific institutions; so that there is a mass of laws on the subject, many of which are conflicting. Many states have appointed commissions to draw up a code of laws dealing with children and dependents—a process of codification in some instances and of drafting new laws in others. In the opinion of the Commissioner of Public Welfare of Pennsylvania such codification is very much needed here.

The writer has discussed each of these proposed laws, or amendments, with the Commissioner, and believes that he is justified in requesting the adoption of each.

General Estimate.—The Department of Public Welfare seems to be well organized from the standpoint of carrying out the work assigned to it. The new employees taken into the Department evidently were chosen on the basis of fitness for their particular assignments. The Department seems to be under- rather than over-staffed. Its accomplishments for its one year of operation are very creditable, and have been brought about, in the main, without undue friction. As nearly as the writer can judge the Department not only is accomplishing more work than the three departments or boards absorbed into it, but it has, in addition, brought a new vision into the work which, within a reasonably short period, will probably put Pennsylvania abreast of the best work of this type done by any of the States.

V.

State General Medical and Surgical Hospitals.

The State of Pennsylvania owns and operates ten hospitals for the care of general sickness; that is, hospitals providing for medical, surgical, maternity, children's and other special services. In other words, these ten hospitals are of the ordinary type of hospitals found in cities generally, which are usually supported by income from pay patients and by contributions of citizens. This is the only state in the Union to operate this class of hospitals. Three states (Michigan, Indiana and Iowa) have each a general state hospital, under the control of state medical schools. In other words, the state itself, although furnishing funds for the operation of these hospitals, does not itself operate them; they are operated through the medical schools. In Pennsylvania these general hospitals are managed each by a board of trustees appointed by the Governor, and heretofore have had little or no supervision or regulation by any department of the state.

These hospitals are all located in the coal mining districts, and were originally organized—in the period from 1879 to 1887—for the sole purpose of caring for injured coal miners. In time, by legislative amendments, the scope of their work was enlarged so that they could care for workmen in shops, on railroads, and laborers generally. About 1909 some of these hospitals secured legislative amendments empowering them to treat any and all patients. The amendment passed in 1909 to the act authorizing the hospital at Ashland, made the following provision: "Provided that any patients except those suffering from contagious disease may be received, cared for and treated, whenever the facilities of the hospital are sufficient to accommodate such patients."

In short, these hospitals, which were originally and primarily designed to take care of emergent cases of injury in the coal mining regions, where hospitals up to that time were inaccessible, have gradually developed into hospitals that care not only for all classes of cases coming from the community, but in most cases these hospitals have provided private rooms, and a substantial income is received from private patients. During the year 1921-22 the

funds received from the care of private and semi-private patients by these hospitals are indicated below:

Ashland.....	\$64,342.15	(bed capacity 290)
Shamokin.....	19,397.55	(" " 82)
Scranton.....	51,347.10	(" " 185)
Nanticoke.....	41,155.50	(" " 85)
Coaldale.....	2,065.91	(" " 46)
Hazleton.....	45,170.50	(" " 120)
Blossburg.....	43,873.98	(" " 80)
Phillipsburg.....	14,959.09	(" " 38)
Connellsville.....	11,559.70	(" " 36)
Mercer.....	5,818.81	(" " 35)

The price charged for private rooms in these hospitals varies with the hospitals and even in a particular hospital. One hospital has rooms as high as \$8.00 per day. Another hospital has a uniform rate of \$5.00 per day. But whatever rate a patient pays for care in a private room, he is not supposed to pay anything in addition for medical care or for a surgical operation. In other words a patient who is able to pay \$8.00 per day for his room may have had performed a most difficult surgical operation, for which had he been cared for in a private hospital he might have paid anywhere from \$100 to \$1,000.

The physicians who perform the surgical operations and care for the patients serve full time in the hospitals and are paid a salary by the state, except in the Scranton Hospital, where the surgeons are members of an attending staff.

Of these hospitals the writer visited and inspected the following: Mercer, Ashland, Coaldale, Nanticoke and Scranton. The patients seemed to be receiving reasonably good care, but their histories were in most cases defective and inadequate.

The question must have arisen many times on the part of the citizens and of the legislators why the State of Pennsylvania was operating these general hospitals, since their maintenance is obviously discriminatory. For instance, one of these hospitals is located in Connellsville, a town which has a population of 13,804. It is the only hospital in the town, and serves hospital purposes for the whole community. But twelve miles distant is Uniontown, also in the coal district, whose chief industry likewise

is the mining of coal. Uniontown has a population of 15,692, and the sick of this community are cared for in one hospital known as "The Uniontown Hospital," operated by a board of trustees and maintained by the citizens of Uniontown, aided by contributions from coal companies in the vicinity. The miners from adjacent mines are cared for in this privately operated hospital in the same way, and in the same sense, that they are cared for in the state-owned and state-operated hospital at Connellsville.

It cost the state to care for the patients in the Connellsville Hospital during the year 1921-22, \$12,000, or at the rate of \$3.11 a day. During that same year the Uniontown Hospital furnished 8,861 free patient days, and to this hospital the state paid \$18,784. Thus, in the latter hospital the free patients were cared for at an average cost to the state of \$2.12 a day.

At Ashland, in the anthracite region, is a state hospital in which miners are cared for. During the year 1921-22 the state appropriated for the maintenance of this hospital \$132,500. It furnished 78,012 free days' treatment, which cost the state per capita \$1.70 per day. The state cared for the same class of patients in a private hospital in Pottsville, at the rate of approximately \$1.20 per day.

In Scranton the state operates a general hospital the maintenance of which cost, for the year 1921-22, \$100,000. It furnished 44,436 free days' treatment, or, in other words, each patient cost the state \$2.25 per day. In the same city is the Hahnemann Hospital, privately owned, to which the state appropriated for free care \$21,000. It furnished 16,150 free days' treatment, at the rate of \$1.30 per day.

The question naturally arises why the state operates a general hospital in Scranton, which is costing it for free treatment \$2.25 per day, when it might contract with the Hahnemann Hospital for like care at the rate of \$1.30 per day. It is obvious that in the coal regions free patients are cared for in the privately operated hospitals much more cheaply than they are maintained in state operated hospitals.

Not only is the state paying more for the care of sick and injured miners and other workmen in the coal districts, in its own hospitals than in those operated by private boards, but little control has been exercised over the development and enlargement of its own hospitals.

It has been possible for a superintendent to secure contributions from the public, or from private sources, for the erection of a new building, put the new building into operation, and then ask the state to pay the deficit for the increased operating cost. A capacity of about one hundred beds was thus added to the state hospital at Ashland, and the capacity of the hospitals at Nanticoke and Coaldale were largely increased by contributions received from the public. The state has had nothing to say about the receipt of this money or its expenditure. It is called upon, however, for money to maintain and operate these new extensions.

Recently there was a great mine disaster near Spangler. No state hospital is in this vicinity. All cases were adequately cared for in a privately operated hospital in Spangler which receives state aid. The emergency was adequately met at comparatively little cost to the state.

Were it found feasible to care for these patients in privately owned hospitals the state would save by such change in procedure not less than \$100,000 annually. Here is a situation worthy of careful consideration on the part of the state, with the purpose of determining whether the present policy of maintaining state general hospitals is the most advisable procedure.

VI.

Manufacturing in Institutions

(Other Than Penal Institutions).

It is generally assumed that there is a great amount of potential labor going to waste in the institutions of a state. Not infrequently it is remarked that it should be possible to select certain articles, which would be within the physical and mental powers of the inmates to manufacture, and that these could be made in surplus quantities and shipped to other institutions, much to the advantage of the state.

Considerable effort has been put forth along this line in other states, with no very marked results. For a good many years in New York State soap has been manufactured at the state hospital at Rochester, and distributed to other institutions in the department controlling that institution. Likewise knit goods such as stockings and sweaters have been manufactured at the Utica State

Hospital, and at the same hospital green coffee has been roasted, and these products have been distributed to other hospitals. The aggregate saving as a result of these efforts is comparatively small, and although it is highly advisable to manufacture such articles found by experiment and practice to be feasible and suitable for other institutions, yet it must be realized that such a line of effort will reduce the total cost of operating the institutions but little.

It is feasible to manufacture soap at one institution and distribute it to other institutions, and frequently the fats at each institution are not adequately used or disposed of; so it would seem that these fats might be sent to one central point to be manufactured into soap. But the cost of shipping the raw fats and of returning the soap would largely offset the advantage to be gained by having the soap manufactured by free labor at one point. Then, again, it is hardly feasible to develop a complete soap manufacturing plant at each institution in order to utilize the local fats, owing to the cost of the plant and the knowledge required for its operation. It is possible, however, for each institution to manufacture soft soap for laundry and scrubbing purposes. This kind of soap is easily manufactured in tanks heated by steam, and a good portion of the fats can be utilized in this way. Hard soaps, however, cannot be so readily manufactured. There is something gained by the manufacture of knit goods, and such work should be encouraged.

The state hospital for the insane at Jacksonville, Illinois, has developed a plan for using a portion of its inmates, which has proved both successful and remunerative. The institution at that place contracts with surrounding farmers for the planting and harvesting of the crops on some agreed-upon unit basis. The farmer furnishes the transportation of the inmate workers from the institution to his farm. He drives his truck to the institution, and on to it are loaded a gang of inmates accompanied by an attendant. These are taken to the farm and there they work under the direction and supervision of the attendant. At night the farmer returns them in his truck to the institution. The farmer has no contact with the inmates. They are at all times under the supervision of an employee of the institution. It might be feared by some that under these conditions an inmate would be subject to abuse or to overwork. In order to get a better picture of

the conditions under which the work was carried on the writer visited some of these farms where the inmates were at work, talked with them in the field, and found them to be contented and apparently enjoying the work. So far as the writer could judge the system was working not only to the advantage of the institution economically, but also was promoting the general welfare of the inmates. It is probable that this plan of using inmates could be operated at some of the institutions of this state, particularly those which have insufficient land to occupy all of the able-bodied.

Owing to the cost of supervising the work of inmates, other than in penal institutions, the state can hope to gain but comparatively little advantage from their labor except the advantage that it now gains in the care of the institution in which they reside and in the work of operating the farms connected with each institution.

VII.

Agriculture.

No detailed examination has been made of the present use of the farms connected with institutions. Reports have been received from practically all institutions of the value of farm products. It is highly advisable to have a close co-operation between the institutions and the Department of Agriculture of the state, to the end that the best possible use be made of each of the farms. In most cases a farm connected with an institution, if properly managed, will show some net returns. The net returns, however, are not such as might be supposed could be secured from so large a body of free labor owing to the fact that it is necessary to divide the inmates into comparatively small groups while laboring on the farm, and each group must be supervised by an attendant. There must also be from one to several farmers as general supervisors. When this overhead is charged against the products and the investment of the state in the land, the net return is not great. This, however, does not argue against a reasonably large acreage for each institution, since it is highly advantageous to work inmates in the open on the land, wherever possible, as a therapeutic measure. From the standpoint of return to the state, however, no great advantage can be secured from the value of farm products.

VIII.

Colonies.

In the State of Pennsylvania there are now cared for in institutions about 20,000 insane. It is estimated that there are needed 6,000 beds not yet provided. There are at the present time about 4,300 in institutions for the feeble-minded. It is estimated that there are about 4,000 feeble-minded in addition that should be cared for in institutions. A large number of epileptic are uncared for.

It is a serious problem for any state to finance the construction of institutions sufficient in capacity to care for all the persons in the state needing institutional care. To care for the number in Pennsylvania now needing institutional care, in the type of buildings generally erected for their care, would cost the state not less than \$15,000,000. To secure this amount of money with the additional amount necessary to operate the institutions when erected would be a serious problem.

Every effort should be made to develop processes and procedures that will insure care for these afflicted people either outside of institutions or in institutions of a type that will require a greatly reduced original construction cost and subsequent upkeep cost.

Considerable effort has been put forth in recent years in the development of colonies in connection with institutions for the insane and institutions for the feeble-minded. The institution for the feeble-minded at Rome, New York, has been developing colonies since 1906, and at the present time it has in operation sixteen colonies, with an aggregate bed capacity of 390. These colonies are of three types: First, those on farms; second, those in villages, wherein girls are housed and from which they go out to do household work; and, third, those in villages where girls reside and from which they go out to work in mills.

Farm colonies usually are a group of from fifteen to twenty boys domiciled in the original farm buildings of a farm which has been leased or purchased. The houses in which the colonies are cared for in town are usually rented. Thus the investment of the state for the housing of these colonies is comparatively small. Practically all of these farm colonies operated by the institution at Rome are more than self-supporting, with the result that the State

of New York cares for 390 feeble-minded with very little original investment for housing, and with no upkeep cost. During the year 1919 the farm colonies of this institution produced farm products to the value of \$90,000, at a cost to the state of \$46,000. Almost an equally favorable showing was made in connection with the colonies wherein lived the girls, who worked either in private families or in mills. It will be noted that this colony system was begun by the Rome institution in 1906, and year by year additional colonies have been organized. Thus the system has been in operation sixteen years, and has proved to be practicable and successful.

There is every reason to believe that a like effort would be successful in the State of Pennsylvania. Dr. Bernstein, superintendent of the institution at Rome, New York, estimates that nearly 40 percent of feeble-minded that would naturally go to institutions could be cared for in this manner, still leaving in each institution a sufficient number of relatively able-bodied to do the work of the institution. It is highly probable that a fairly large proportion of the additional capacity needed for the feeble-minded in Pennsylvania could be provided by this method at a very small expense to the state.

The Homeopathic Hospital for the Insane at Allentown, Pennsylvania, has developed two farm colonies located about five miles from the parent institution. The state purchased two farms, each with the original farm buildings upon it. The building on one of these farms houses about eighteen inmates, and the other at the present time houses six. At a comparatively small expense, an addition could be made to the house on the second farm so that its capacity would be equal to that of the farmhouse on the first farm. In both these cases the farms were purchased. It would no doubt be possible to lease farms on long-term leases, thereby reducing the capital investment.

Although it is somewhat difficult to figure the total investment and annual operating expense of these two colonies, owing to various factors, nevertheless a reasonably careful calculation would indicate that these two farms are not only self-supporting but contribute something in addition to the maintenance of the parent institution. The total investment of the state in these two farms, including the original cost and the subsequent alterations, was

\$42,900. An addition to the farmhouse on the second farm sufficiently large to accommodate twelve inmates would cost about \$5,000. Thus, for an aggregate cost of \$47,900 the state will have provided housing accommodation for 36 patients at the rate of \$1,333 per patient. The parent institution at Allentown, which has a capacity of 1,000 inmates, cost the state for land and buildings \$1,866,000 or \$1,866 per inmate.

Thus it will be noted that the per capita cost of housing inmates on the farm colonies was considerably less than the cost of housing inmates in the parent institution, and, in addition, the state has secured 272 acres of land in these farms gratis.

It is estimated by various persons interested in the problem of the insane that from 20 to 30 percent of insane patients could be cared for in farm colonies, still leaving enough relatively able-bodied inmates in the parent institution to do manual work for the institution. If the farm colony system can be successfully operated, as apparently it can be, the State of Pennsylvania by adopting this plan could increase its capacity for the care of the insane at least 20 percent with comparatively little outlay for housing.

Each patient cared for in this manner would probably cost the state nothing owing to the value of his productive labor. A thousand patients cared for in institutions would cost the state at least \$250,000 annually.

The colony plan of increasing the capacity of institutions for the feeble-minded, the epileptic and the insane should be given extended and careful consideration, since there is a probability that through this procedure the state would be enabled to increase its care for these classes of patients without the requirement of much additional capital and with no additional cost for maintenance.

IX.

Turnover in Institutions.

It is obvious that, when an institution receives a patient and keeps him for the remainder of his life, there will be a very small turnover in that institution. In other words, its ability to receive additional patients will be limited to the number of deaths in the institution. *An institution increases its usefulness to the extent*

and in the degree that it can send patients back again to the community. Its ability to do this will depend upon its skill in diagnosing and treating, and the efficiency of its social service and parole departments.

The Public Welfare Department realizes the importance of these factors, and is exerting every reasonable effort to promote their extension and successful operation. To care for an inmate in a hospital for the insane costs, at the present time, approximately \$300 per year. If the same patient continues year after year, each year that patient will cost the state \$300, without taking into consideration the interest on the investment in the housing facilities. A social service agent can supervise at least 100 patients in their own homes while on parole. To care for these 100 patients in the institution would cost the state annually \$30,000. The salary of an agent, and traveling expenses, probably would not exceed \$3,500, thus showing a net gain to the state yearly of at least \$25,000 on each 100 patients. Not only would the state financially gain by such a procedure, but the patients would be much better off in their own homes, or in communities, than in the institution.

A social service department, however, cannot operate with efficiency except there be co-ordinated with it a high degree of efficiency in diagnosing and treating patients, in order that these patients may, as rapidly as possible, be referred to the social service department for parole.

It will abundantly pay the state to put additional funds into the functions of diagnosing and treating, and into social service departments, with the full assurance that it will thereby be saving much. Without this system it will find it necessary to invest in more buildings with a corresponding increase in operating costs.

X.

Standardization.

Food Supplies.—The State of Pennsylvania has done comparatively little toward standardization of supplies in its various departments and institutions or little toward standardization of the salaries of its employees. In the absence of standardization of supplies, institutions may use like articles of different qualities, in

some instances too high a quality and in others too low, with the result that the cost figures are not comparable.

At the present time each institution makes out such specifications as it chooses for its various foods. The following specifications are taken from several of the institutions:

In reading these specifications note the difference in grades specified, and also the vagueness of some of the specifications.

Beef.

State Hospital for the Insane at Warren:

Beef, fresh, steers only, 600 to 700 lbs.

State Hospital for the Insane at Allentown:

Steers, good quality, entire carcass, 650 to 750 lbs.

The above to be selected from native healthy cattle. Less than 650 lbs. and under four years old, will not be accepted under this contract.

Institutions for the Feeble-minded at Polk:

Beef, fresh, steers, high quality, carcass, 725 to 775 lbs.

Institution for the Deaf and Dumb at Mt. Airy:

Beef, to be from steers weighing from 700 to 750 lbs.

School for Feeble-minded at Elwyn:

Beef, fresh.

Hospital for the Insane at Danville:

Beef, from three to four years old, healthy, grain fed, well fatted, native steers, best quality, whole carcass, weighing from 750 to 825 lbs. dressed.

Hospital for the Insane at Wernersville:

Beef, fresh, Chicago, in quarters.

Institution for the Feeble-minded at Spring City:

Beef, fresh, entire carcass, in quarters.

Penitentiary, Pittsburgh:

Beef, rattlers of five ribs. Not less than 140 lbs. each. Same to be from good domestic grade steers, and to be from sound well-fed animals, neatly and cleanly dressed and closely covered or wrapped.

Butter.

Allentown:

Butter, creamery, current make, fresh. Sixty to 64 lbs., wooden tubs.

Warren:

Butter, creamery, firsts.

Polk:

Butter, fresh creamery, 92 score. One lb. sample required. (a) 30-lb. boxes; 1-lb. prints, tissue wrapped. (b) 60-lb. tubs.

Elwyn:

Butter, good print, must be sweet.

Spring City:

Butter, pounds, nearby, creamery, 1-lb. prints. Butter, pounds, creamery, firsts, 60-lb. tubs.

Eggs.**Allentown:**

Eggs, strictly selected firsts, fresh, weight 58 lbs. gross to crate. All delivery shall be of eggs known to the trade as firsts, or "nearbys."

Warren:

Eggs, strictly fresh. Eggs, storage.

Prunes.**Allentown:**

Prunes, Santa Clara, 50-60's.

Warren:

Prunes, California, 60-70's, 1922 crop.

Polk:

Prunes, California, Santa Clara, 60-70's, 30-40's.

Reformatory, Huntingdon:

Prunes, 90's. Prunes, boxes, 60's.

Elwyn:

Prunes, 80's to 90's—50-lb. boxes.

Wernersville:

Prunes, dried California, Santa Clara Valley, Sonoma 50-60's.

Spring City:

Prunes, Santa Clara Valley, 60-70's, 50-lb. boxes; 40-50's, 25-lb. boxes.

The foregoing specifications vary greatly in the language used to describe the product to be purchased. For instance: In one institution beef is specified simply as "fresh beef," with no indication as to minimum or maximum weights, whether steers are required or whether cows, stags or bulls are permissible. In other words, under that specification a bidder would have no

knowledge of the class of meat he was supposed to bid upon. Some have specified "native, grain fed beef of best quality," others have specified "Chicago beef." Still others have specified "native beef" without indication as to whether it shall be grass fed or corn fed. Obviously, under the variety of specifications used by the institutions there would be a great difference in the quality of the beef furnished. Moreover, without a clear, full specification not only is it impossible for a bidder to know what he is expected to deliver but in many cases he will attempt to deliver the lowest quality he can get accepted.

In examining the samples of food gathered at the institutions and shipped to Philadelphia for examination it was noted that of the twelve samples of beans examined there were eight different grades, ranging from good to very bad.

Although the state law requires that butter be used in the institutions, four institutions were using butterine. Butterine is a wholesome product, and it has been used for many years in all of the institutions of Indiana; nevertheless, it is not permitted by law to be used in institutions in the State of Pennsylvania.

With regard to prunes, some institutions used 30-40, that is, thirty to forty prunes to a pound; others used 40-50; others 60-70s; others 80-90s; some 90-100s.

Various grades of coffee were used, and some institutions used coffee substitutes mixed with coffee.

Evaporated peaches ranged from a very high grade, costing from 25c to 28c a pound, to a low grade that would cost from 12c to 15c a pound.

Some institutions used whole rice, a very high grade of whole rice, others a low grade of whole rice, and still others broken rice. Each of these grades differs from the others in cost. It is obvious that of two institutions using a thousand pounds of rice each, one using whole rice that costs 7c a pound, and the other broken rice that costs 6c a pound, both kinds of equal food value—the institution using broken rice would show a cost for rice less than that of the other; and yet so far as this product is concerned the institution feeding its inmates the broken rice would be giving them a food value equal to the one feeding the higher grade.

In order that maintenance costs shall be comparable and understandable there must be a full knowledge of the grades of

food and other supplies used, with their relative unit costs. This knowledge cannot be obtained unless there is some recognized standard of qualities, with the requirement that each institution use the specified qualities, or, when there is a departure from such qualities, that the departure be recorded and taken into consideration in estimating the maintenance standards and cost figures.

Salaries and Wages.—The schedule of salaries and wages paid at the institutions were compared so far as comparison was possible. The details varied so greatly between institutions that it was difficult to make a comparison except in connection with a few of the positions. The following tables show the salaries paid at the institutions indicated:

SALARIES AND WAGES AT HOSPITALS FOR INSANE.

	Allentown	Danville	Farview	Harrisburg	Norristown	Warren	Torrence	Wernersville
Sr. Asst. Phys.	\$1800.00	\$1800.00	\$1800.00	\$2100.00	\$1400.00	\$1500.00	\$1500.00	\$2100.00 to 2400.00
Asst. Phys.	1400.00	1200.00	1800.00	1500.00	1400.00	1500.00	1500.00	1400.00
Asst. Phys.	to 1600.00	to 1700.00	to 1800.00	to 2230.00	to 2400.00	to 2400.00	to 2400.00	to 2400.00
Stenog. and Clerk.	720.00	600.00	900.00	1450.00	1500.00	900.00	1080.00	1080.00
Bookkeeper.	1560.00	600.00	1000.00	1450.00	1500.00	1700.00	1720.00	1720.00
Clerks.	900.00	600.00	720.00	1200.00	1200.00	780.00	660.00	1500.00
Stenographer.	690.00	600.00	1080.00	660.00	1200.00	900.00	1240.00	1240.00
Chambermaid.	30.00	30.00	30.00	40.00	40.00	30.00	30.00	30.00
Janitor.	600.00	32.50	65.00	45.00	45.00	40.00	40.00	40.00
Seamstress.	to	to	to	to	to	38.00	36.00	36.00
Tel. Operator.	40.00	40.00	45.00	45.00	45.00	40.00	40.00	40.00
Filing Clerk.	48.00	40.00	25.00	35.00	60.00	65.00	50.00	55.00
Cook.	70.00	70.00	34.00	50.00	90.00	95.00	75.00	95.00
Kitchen Maids.	37.50	32.50	26.00	30.00	35.00	35.00	30.00	30.00
Waitress.	45.00	35.00	29.00	35.00	45.00	50.00	40.00	45.00
Pantryman.	32.50	45.00	25.00	30.00	35.00	32.00	30.00	30.00
Laundry Women.	50.00	50.00	58.33	90.00	80.00	100.00	80.00	80.00
Storekeeper.	65.00	75.00	70.00	70.00	70.00	70.00	70.00	70.00
Asst. Supervisors.	40.00	40.00	40.00	40.00	40.00	40.00	40.00	40.00
Day Attendants.	55.00	46.00	60.00	60.00	65.00	42.50	60.00	56.00
Outside Attendants.	60.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Nurses.	50.00	30.00	75.00	40.00	60.00	65.00	35.00	35.00
Student Nurses.	45.00	30.00	54.00	40.00	40.00	40.00	60.00	60.00
Fireman. ....	.....	.....	.....	.....	.....	80.00	80.00	80.00

SALARIES AND WAGES AT INSTITUTIONS FOR FEEBLE-MINDED AND PENITENTIARIES.

	INSTITUTIONS FOR FEEBLE-MINDED		PENITENTIARIES	
	Spring City	Polk	Eastern	Western
Res. Physician.....	.....	.....	\$2,400.00	\$3,600.00
Chief Clerk.....	\$1,620.00	.....	3,500.00	3,800.00
Bookkeeper.....	780.00	\$1,200.00	2,000.00	2,500.00
Asst. Bookkeeper.....	780.00	.....	1,300.00	1,200.00
Stenographer.....	.....	.....	1,500.00	1,500.00
Tel. Operator.....	25.00 to 35.00	.....	.....	82.00
Attendants.....	42.50 aver.	.....	.....	.....
Baker.....	90.00	32.00 to 60.00	140.00	140.00
Asst. Baker.....	65.00	.....	140.00	140.00
Laundresses.....	35.00 to 65.00	35.00 to 48.00	.....	.....
Cooks.....	45.00 to 50.00	35.00 to 60.00	.....	.....
Fireman.....	55.00	90.00 to 100.00	.....	.....
Seamstress.....	35.00 to 60.00	38.00 to 50.00	.....	.....
Overseers.....	.....	.....	117.66	125.00 to 136.67
Day Guards.....	.....	.....	100.00	.....
Night Guards.....	.....	.....	91.66	.....

SALARIES AND WAGES AT MEDICAL AND SURGICAL HOSPITALS.

	Ashland	Coaldale	Connellsville	Mercer	Nanticoke	Philipsburg	Scranton	Shamokin
Surgeon in Charge and Supt.....	\$12,000	\$8,000	.....	\$9,000	.....	.....	.....	.....
Chief Clerk.....	2,000	840	.....	900	.....	.....	.....	.....
Stenographer.....	1,200	.....	.....	.....	.....	.....	.....	.....
Storekeeper.....	1,200	.....	.....	.....	.....	.....	.....	.....
Tel. Operator.....	288 to 480	.....	.....	.....	.....	.....	.....	.....
Scrub Women.....	29	32 to 35	.....	.....	.....	.....	.....	.....
Waitresses.....	29	.....	.....	.....	.....	.....	.....	.....
Kitchen Girls.....	20 to 29	70 to 75	\$75 to 90	75	25	25	25	30 to 35
Nurses.....	70 to 80	8 to 10	.....	10 to 12	75	75 to 85	70	70 to 80
Student Nurses.....	15 to 25	.....	.....	50	15	6 to 10	.....	.....
Orderlies.....	35 to 50	.....	.....	.....	25 to 35	25 to 40	25 to 40	.....

A great variation in the salaries for similar positions in the different institutions will be noted. For instance in the Hospital for the Insane the position of Assistant Physician ranged from \$1,200 to \$1,700 at Danville to \$2,100 to \$2,400 at Wernersville. Stenographers in Danville were graded from \$720 to \$1,080, in Farview and Harrisburg at \$1,200. Cooks ranged from \$25 to \$34 per month in Danville and from \$55 to \$95 in Wernersville. The minimum for waitresses in Danville was \$26 with a maximum of \$29, whereas the minimum in Allentown was \$32.50 reaching upward to \$45. Storekeepers were paid from \$600 in Allentown to \$1,200 a year in Norristown. The maximum for day attendants was \$42.50 per month in Warren, while the maximum in Norristown reached \$65 per month. The range for student nurses was from \$35 to \$40 in Warren and from \$40 to \$54 in Danville.

Comparing the institutions for the Feeble-Minded it will be noted that telephone operators receive a maximum of \$35 per month in Spring City, whereas Polk paid a maximum of \$65. The average for attendants in Spring City was \$42.50 per month, whereas it ranged from \$32 to \$60 per month in Polk. The baker was paid \$90 a month in Spring City and \$140 a month in Polk. Cooks ranged from \$45 to \$50 a month in Spring City and from \$35 to \$60 a month in Polk.

In comparing the medical and surgical hospitals a difference in salary rates would be expected owing to the relative size of the institutions and their relative accessibility or inaccessibility. Some of the variations, however, cannot be accounted for. For instance, Ashland and Shamokin are located in the same general district, each adjacent to a small city. Ashland paid \$29 per month and Shamokin from \$30 to \$35 a month for scrubwomen. Waitresses in Ashland were paid \$29 a month, which reached a maximum of \$35 per month in Shamokin. The rate for nurses was fairly uniform in all the hospitals. The rate for pupil nurses, however, varied considerably—\$6 to \$10 per month in Scranton and \$15 to \$25 per month in Ashland. Orderlies ranged from \$25 to \$40 per month in Scranton to from \$35 to \$50 per month in Ashland.

There seems not only to be a marked variation in the rates of salaries and wages paid in the various institutions for like classes of work, but the titles for the positions vary to such an extent that

a comparison is very difficult. It will be impossible for the state to have any accurate knowledge of salaries and wages paid in its various institutions until there is adopted standardized titles to positions and minimum and maximum pay for services with graded increases from minimum to maximum.

Summarized Statement.—It is obvious from the foregoing illustrations of the difference in grades of foods used in the institutions of the state and of the different salaries paid for like kinds of work in different institutions, that there is a lack of uniformity. It seems highly advisable to create some machinery of standardization, the form of which will be subsequently discussed.

Buying.—Purchasing for the state is done mainly by the following methods: The Department of Public Grounds and Buildings at the capitol purchases stationery, furniture, fuel and various other articles and supplies needed in the offices of the different departments located in Harrisburg. For this purpose there was appropriated in the legislative session of 1921 \$575,000, and as a contingent fund for the purchase of the same kinds of articles \$175,000. This department is empowered to purchase with these funds equipment and supplies for the various departments on requisition from the heads of those departments. With one exception this Department purchases nothing for institutions, the one exception being electric light bulbs. These are not purchased out of any fund appropriated to the Department, but a contract is made through the Department by which each institution purchases from its own funds. To this Department, must go all requisitions from institutions for the purchase of automobiles. The purchase, however, after permit is granted, is made by the institution.

The appropriation for the maintenance of the three tuberculosis hospitals administered by the Department of Health is made in a lump sum direct to the Department of Health. From this money the Health Department, through its purchasing division in Harrisburg, purchases all of the equipment, material and supplies for these three institutions.

To all other state and semi-state institutions appropriation is made by the legislature direct to the institution, and the Board of Trustees of each institution is empowered to purchase all things necessary for its institution. The only restraint exercised by

the state government upon such purchases is that periodically a representative from the Auditor-General's Department visits an institution, goes over its vouchers, and sees that they are entered under the appropriate account. The Auditor-General's Department has the power to refuse to permit the charging of the cost of an article to any account provided such article should not, in their judgment, have been purchased by the state. Such judgment seems to be exercised only in rare instances, as, for instance, in one case the Auditor-General refused to permit the head of a department to charge against the department's account the cost of a pair of gloves purchased for the chauffeur driving the department's machine. The same refusal probably would have been exercised had a pair of gloves been purchased for a chauffeur driving an automobile for an institution. In other words, in the opinion of the Auditor-General it was an article which should have been purchased by a private individual rather than by an officer of the state. But the Auditor-General apparently does not exercise any restraint over the quantity or quality of articles purchased by an institution provided they are appropriate to the operation of the institution.

The Commissioner of Public Welfare has no authority to question purchases made by institutions, nor has any other officer such power except in the one instance noted—the power to refuse the purchase of an automobile—which is exercised by the Department of Public Grounds and Buildings primarily as an agent of the Auditor-General's Department.

The purchasing conducted by the Health Department for its institutions apparently is honestly done. There is a purchasing agent who devotes his entire time to the purchasing. He secures public bids and exercises his judgment as to the lowest price considering quality. Apparently he is exercising fair judgment. For instance, the butter was found to be uniformly good in the three institutions, under the Health Department. On each tub was found the stamp of the federal government inspector. The butter has been purchased in Philadelphia chiefly; there inspected by a government inspector, approved and stamped. This gave the assurance of quality. Equally careful buying seems to have been done by this Health Department officer in connection with other supplies, with minor exceptions.

The general procedure of purchase in connection with the institutions under the Department of Public Welfare is for the superintendent or steward of an institution to send out proposals accompanied by specifications, and to receive bids. In some institutions, such as Norristown, for instance, a sample room is maintained wherein samples of most of the foods, articles of clothing and so forth, are on exhibit. To this merchants are invited to come to find out what the institution is proposing to purchase. This is a commendable method of purchase, but can be used to advantage only where an institution is located reasonably near a center of wholesale houses.

A fair estimate of the results of the purchasing on the part of various institutions of the state may be gained from a review of the accompanying tables. These tables show the quality of certain lines of food received at the various institutions indicated. As heretofore stated, samples of these foods were gathered by federal inspectors sent to the institutions. In a few instances, owing to the limited time at the institution, an officer of the institution was permitted to collect and transmit the samples after the departure of the federal agent. It is fair to assume, however, that in these instances it was efficiently and honestly done. These samples were sent to Philadelphia and there numbered, with a key index; and examined by Mr. Harry Perkins, a member of the firm of Barber & Perkins, wholesale grocers. Mr. Perkins has for many years purchased these lines of food for his firm, and is an expert judge of quality.

The firm of Barber & Perkins does not sell to state institutions, and inasmuch as the samples were marked only with numbers there was no ground of possible favoritism or prejudice that could be exercised on the part of Mr. Perkins had there been any disposition so to do. It is reasonable to assume that the value of the food article, as indicated by Mr. Perkins, is the reasonable value as compared with market quotations at the period at which it was purchased.

The table has four columns, one indicating the time of purchase; another the unit price paid; the third, market value at that time, and the fourth, the actual value as rated by Mr. Perkins.

A review of the following table shows that in most instances the institutions have purchased at a unit price not higher, and in most

cases lower than the standard price of the article quoted by Barber & Perkins at the period when the article was purchased by the institution. Although there are a few instances where the institution paid higher than this quotation price such higher quotation is an exception. In the column headed "Value" is Mr. Perkins' judgment of the quality and value of the sample as compared with the standard value, the price of which is quoted under the column "Standard Price."

It will be noted that in quite a good many instances the value is less than the standard price. For instance, for choice hand-picked navy beans the quotation price for August, 1922, was 10.25 cents per pound. The value of the sample delivered to Hamburg was very low, and it was rated by Mr. Perkins at 5 cents. However, it will be noted that the institution paid .0575 much below the standard quotation price and yet very near the rating made by Mr. Perkins.

Scotland purchased beans September 22nd. The market price at that time was \$0.0925. The sample delivered did not meet the standard, and was rated by Mr. Perkins at \$0.0775; but the institution paid for this lower grade of beans \$0.05. A like illustration was noted in connection with Norristown. This institution purchased beans in July. The market at that time was \$0.1025. The grade of beans delivered was poor—rated by Mr. Perkins at \$0.05. The institution paid much below the market price, but near the grading made by Mr. Perkins, namely, \$0.0565. There was greater irregularity in the quality of beans delivered than in any other item of the foods examined. But in nearly all instances the institutions secured the lower grade of beans at approximately the value rating made by Mr. Perkins.

Not quite as good a showing was made in connection with prunes. Danville purchased 40-50 prunes in September when the market price was \$0.1525. The prunes delivered were not quite up to the standard, being rated by Mr. Perkins at \$0.1475. But the price paid by the institution corresponded to the price of rating. Mt. Airy also purchased prunes, 60-70s, in September when the market was \$0.1225. The institution, however, paid \$0.14. The same is true with Polk. This institution purchased 60-70 prunes in August when the market price was \$0.1275. It paid, however, \$0.1450. On the other hand, Norristown purchased

40-50 prunes in July when the market price was \$0.1475, and that institution secured them for \$0.1198. In general there was not good buying of prunes by the institutions. On the other hand, the institutions' purchase of evaporated peaches, apples and apricots was good—in most cases less than the market price at the period they were purchased.

Most of the institutions purchased rice at a less price than the market quotation at the period it was purchased. To this statement there are a few exceptions, namely, the purchases made by Muncy, Mt. Alto and Mt. Airy.

Peas, split and green, in general were purchased below the market quotations. In a few instances the price paid exceeded the market, namely, at Cresson, Polk and Spring City.

**UNIT PRICE PAID AND VALUE OF FOOD DELIVERED TO INSTITUTIONS IN PENNSYLVANIA DURING THE
MIDDLE PORTION OF THE YEAR 1922.**

The standard price was taken from printed quotations of Barker & Perkins, wholesale grocers, at the dates indicated. The "value" represents the judgment of Mr. Perkins of the sample received from the institution.

	Fancy Rlee, Whole		Rlee, Broken		Choicer Peas, Split, Yellow		Fancy Peas, Green, Wisconsin		Choke Hand-Pkd. Beans, Navy		Tapioca	
	Date Purchased	Price Paid	Standard Price	Date Purchased	Price Paid	Standard Price	Date Purchased	Price Paid	Standard Price	Date Purchased	Price Paid	Standard Price
5. Danville.....	May '22	.0574	.055	May '22			July '22	.0625	.0625	Sept. '22	.0712	.0925
6. Cresson.....	Aug. '22	.0537	.0625	.055	Aug. '22	.0648	.06	Aug. '22	.0625	Sept. '22	.0575	.0925
7. Mt. Airy.....	Sept. '22	.0675	.0625	.0575	June '22			July '22	.055	Sept. '22	.0565	.0925
8. W. Penitentiary, Pittsburgh.....	Aug. '22	.525	.0625	....	Aug. '22	.059	.0625	July '22	.055	Aug. '22	.055	.1025
9. Folk.....	June '22				Aug. '22	.0375	.0525	.03	Aug. '22	.0625	Sept. '22	.055
10. Warren.....	June '22	.0568	.0625	.06 ⁵	June '22	.048	.0625	.0475	July '22		July '22	.1025
11. Northstown.....	July '22	.0524	.065	.06	July '22	.056	.06	July '22	.05125	July '22	.0565	.1025
12. Allentown.....	May '22	.0548	.053	.05 ⁸	Aug. '22			Aug. '22	.056	Aug. '22	.0625	.0625
13. Scotland.....	Aug. '22	.06	.0625	....	Aug. '22	.0375	.0525	.0475	Sept. '22	.0575	Sept. '22	.0925
14. Laurelton.....	July '22				July '22			July '22	.0625	July '22	.0575	.1025
15. Mt. Alto.....	July '22	.0825	.065	.07	Feb. '22			Dec. '21	.055	Dec. '21	.065	.0725
16. Hamburg.....	Sept. '22	.024	.0625	....	Aug. '22	.06	.07	Aug. '22	.0625	Aug. '22	.0575	.0775
17. Huntingdon.....	July '22	.0597	.0625	.0525	July '22	.0375	.06	July '22	.032	July '22	.0915	.1025
18. Wernersville.....	Aug. '22				July '22	.0437	.055	July '22	.0621	July '22	.045	.1025
19. Muney.....	July '22	.075	.0625	.0625	....			July '22	.0637	July '22	.0575	.0725
20. Spring City.....	July '22	.0513	.065	....	....			July '22	.0625	July '22	.0825	.0825
Elwyn.....	July '22	.0543	....	....	....			July '22	.0525	July '22	.09375	.1025
Morganza.....	July '22	.0525	.065	....	....			July '22	.0525	July '22	.06	.055

**UNIT PRICE PAID AND VALUE OF FOOD DELIVERED TO INSTITUTIONS IN PENNSYLVANIA DURING THE
MIDDLE PORTION OF THE YEAR 1922.**

The standard price was taken from printed quotations of Barker & Perkins, wholesale grocers, at the dates indicated. The "value" represents the judgment of Mr. Perkins of the sample received from the institution.

	Rolled Oats		Corn Meal		Macaroni, Whole and Elbow		Macaroni, Broken		Hominy	
	Date Purchased	Standard Price	Value	Date Purchased	Standard Price	Value	Date Purchased	Standard Price	Value	Date Purchased
5. Danville.....	.0302	.0305	.0305	Sept. '22	.036	.02	.02	.05	.10	.10
6. Cresson.....	.06	.061	.....	Aug. '22	.....	.....	Sept. '22	.....	.....	Sept. '22
7. Mt. Alry.....	.031	.0305	.0305	Sept. '22	.....	.....	.12	.10	.10	.02
8. W. Penitentiary, Pittsburgh.....	.0311	.0317	.0317	Sept. '22	.....	.....	.22	.0645	.10	.0185
9. Folk.....	.0303	.0317	.0317	Sept. '22	.025	.02	.02	.0775	.10	.....
10. Warren.....	.0306	.03	.03	June '22	.02	.017	.017	.049	.04	.0185
11. Norristown.....	.0333	.03	.03	July '22	.02	.0175	.0175	.049	.04	.0185
12. Allentown.....	.0319	.0317	.0317	Aug. '22	.....	.....	.22	.0472	.10	.0194
13. Scotland.....	.029	.0317	.0317	Aug. '22	.....	.....	.22	.0472	.10	.0185
14. Laurelton.....	.022	.07	.061	Aug. '22	.....	.....	.22	.045	.10	.....
15. Mt. Alto.....	.027	.0277	.0277	Feb. '22	.....	.....	.22	.045	.04	.....
16. Hamburg.....	.063	.061	.....	Sept. '22	.....	.....	.054	.10	.10	.024
17. Huntington.....	.0337	.03	.03	July '22	.03	.0175	.0175	.05375	.10	.0185
18. Wernersville.....	.0343	.03	.03	July '22	.....	.....	.0175	.0175	.10	.016
19. Mlynay.....	.....	.....	.....	July '22	.....	.....	.22	.0413	.04	.0229
20. Spring City.....	.032	.03	.03	July '22	.0207	.0175	.0175	.0399	.04	.0175
Elwyn.....03304390198
Morganza.....0317	.03

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UNIT PRICE PAID AND VALUE OF FOOD DELIVERED TO INSTITUTIONS IN PENNSYLVANIA DURING THE
MIDDLE PORTION OF THE YEAR 1922.

The standard price was taken from printed quotations of Barker & Perkins, wholesale grocers, at the dates indicated. The "value" represents the judgment of Mr. Perkins of the sample received from the institution.

Grits	Fancy Santa Clara Prunes		Choice Yellow Peaches		Extra Choice Apricots		Choice Evaporated Apples	
	Date Purchased	Standard Price	Date Purchased	Standard Price	Date Purchased	Standard Price	Date Purchased	Standard Price
5. Danville.....	Sept. '22	.04-50	.1475	.1525	.1475	.13	.1475	.16
6. Cresson.....	Aug. '22	.40-50	.1525	.1525	Sept. '22	.13	Aug. '22	.32
7. Mt. Alto.....	Sept. '22	.1398	.16	.16	.1475	.155	.1475	.275
8. W. Penitentiary, Pittsburgh.....	Sept. '22	.14	.1225	.14	.22	.165	.1475	.265
9. Polk.....	Aug. '22	.0185	.0185	.0185	Sept. '22	.13	.1475	.245
10. Warren.....	July '22	.0175	.0175	.0175	.1225	.13	.1475	.275
11. Norristown.....	May '22	.0188	.0185	.0185	.1225	.12	.1475	.275
12. Allentown.....	July '22	.0177	.0185	.0185	.1275	.1275	.1475	.275
13. Scotland.....	Aug. '22	.1525	.1525	.1525	.1275	.118	.139	.275
14. Laurelton.....	July '22	.14	.1375	.14	.10-70	.1275	.1475	.275
15. Mt. Alto.....	June '22	.0175	.0185	.0185	.1375	.1375	.1475	.275
16. Hamburg.....	Sept. '22	.024	.0185	.0185	.1375	.1375	.1475	.275
17. Huntingdon.....	July '22	.0213	.0175	.0175	.1375	.1375	.1475	.275
18. Wernersville.....	July '22	.0213	.0175	.0175	.1385	.1375	.1475	.275
19. Muncey.....	July '22	.15	.1375	.1375	.1385	.1375	.1475	.275
20. Spring City.....	July '22	.15	.1375	.1375	.1385	.1375	.1475	.275
Elwyn.....	July '22	.15	.1375	.1375	.1385	.1375	.1475	.275
Morganza.....	July '22	.15	.1375	.1375	.1385	.1375	.1475	.275

Federal Inspectors' Report.

Two important articles of food are beef and butter, both of which must be examined at the institution. To provide for this examination the services of two federal inspectors were secured from the Department of Agriculture at Washington, Dr. G. E. Totten from Pittsburgh, an expert on meats, and Mr. R. L. Feddersen of Chicago, an expert on butter. These inspectors visited a fair proportion of the institutions in this state, examining the beef and butter on hand. The report of their findings is as follows:

Report by Inspectors G. E. Totten and R. L. Feddersen on Purchases of Meat and Butter by Institutions.

State Hospital for the Chronic Insane.

Wernersville, Pa.

Beef.—That on hand consisted of four fore and a portion of one hind quarter, all of which would grade up to specifications with the possible exception of not being well fatted. Average price of beef for the current quarter is $13\frac{1}{4}$ c for whole carcass, the last purchase—represented by that now on hand—having been procured from Reading Abattoir Company, Reading, at 13c. About $2\frac{1}{2}$ carcasses used per week.

Pork.—All slaughtered and cured on the premises, from hogs raised on the farm connected therewith.

Veal.—Surplus calves from their own herd are slaughtered on the premises; none purchased; little on hand, but that of good quality.

Mutton or Lamb.—None used.

Butter.—Is of own make and is made from any cream which is left over. Placed in 60 lb. tubs and kept in cooler at 32 degrees. Cooler is clean. About 240 pounds butter on hand, of poor quality, scoring 86-87 points, showing unclean, stale flavors; color, mottled. Tubs very dirty on outside and no paper liners used on inside. Present supply on hand was two weeks old. Consumption about 875 pounds per month, peanut butter being much used as a substitute.

State Hospital for the Insane.

Allentown, Penna.

Beef.—That on hand consists of 8 hinds and four fore quarters, and many cuts, all conforming to specifications. Last purchase of beef was from Swift & Co., Allentown, at \$14.34. Beef has recently been bought in the open market as low as eight cents for whole carcasses; hind quarters were bought last week at 14c.

Pork.—Hams and bacon are principally produced on the premises, from hogs of their own raising; many hams and bacon on hand, of excellent quality. Also have much lard on hand, principally from Wilson & Co., Allentown, during

August, at $13\frac{1}{4}$ c. Also have on hand a considerable number of green hams, purchased from Wilson & Co., Allentown, for use in sausage making, at 15c.

Lamb.—But little on hand; last purchase was from Swift & Co., Allentown, at 20c.

Mutton.—None on hand; last purchased was from Swift, Allentown, during August, at 15c.

Butter.—Both print and tub butter used. Of tub butter there were on hand 32 tubs, of which one lot, marked 5,215 scored 87 points, showing unclean, metallic and storage flavors; lot marked 5,376 scored 87, showing unclean, cheesy and storage flavors. This butter was bought latter part of August at 34c, on open market, from Swift & Co., Allentown. At present time this butter is about three weeks old and as the monthly consumption is about 32 tubs it will be about another four weeks before supply is used up. Temperature of box, 34 degrees, was clean and sweet. As a rule butter is purchased on competitive bids and the best sample submitted is taken.

There was also some print butter on hand, about 18 thirty-two pound boxes, which was bought about six weeks since. Brookfield prints scored 88 points, showing oily and storage flavors; Gold Bar prints 89 points, showing oily, bitter and old flavors.

Weights marked on tubs are used as the basis of settlement, weighing an occasional tub to see if they hold out.

State Hospital for the Insane.

Norristown, Pa.

Beef.—Supplied by Giekler Brothers, Philadelphia, the price on carcasses for the quarter being 9.93c; racks, 6.9c, and rounds, 10.44c.

Pork.—All fresh pork, and lard, is produced, the institution maintaining a very large, and very excellent, plant for hog raising. Hams, no weight specified, were supplied by A. Salus, Philadelphia, at \$19.40.

Veal.—None, except of own production.

Mutton.—Supplied by A. Salus, Philadelphia, at 7.99c; lambs at 21c.

There were on hand 30 to 35 carcasses of beef, a few of veal and mutton, and large stocks of hams and bacon, all of excellent quality.

Butter.—Both print and tub butter used, bought on competitive bids with samples to be bid on displayed in sample room. Print contract was with Cudahy Company, Philadelphia, at 42.3c per pound, there being seven bids. Contract for tub let to Philip Hoffman, Philadelphia, at 35.375c, there being eight bids. There were 13 tubs on hand, scoring 88-89 points, showing storage, alkaline, and old cream flavors. Butter was stored in cooler at 35 degrees, with dried peaches and flavor of peaches was very noticeable in the butter. Print butter scored 89 points, showing alkaline and old cream flavors. Monthly consumption is 240 pounds print and about 6,200 pounds tub butter. Weights on tubs used as basis of settlement, weighing an occasional tub as check on the weights.

State Hospital for the Insane.

Warren, Pa.

Beef.—Four or five carcasses on hand, bearing marks of Armour & Co., Chicago. There were eight bids on this contract, for period of three months, the award going to Armour & Co., Warren, at 11.7c for carcasses.

Dried beef.—Swift & Co., Jamestown, N. Y., at 37.95c.

Pork.—Fresh pork and lard is principally produced on the premises. The award for hams went to Wilson & Co., Chicago, at 20.4c.

Veal.—None except that produced on the premises.

Button.—Schaffner Bros. Co., Erie, at 10½c. Some also supplied by Armour & Co., Warren, of which there were three carcasses on hand—two of them extremely poor; the steward advised that complaint had already been filed with the vendor concerning this delivery.

Bologna style sausage is supplied by Dold Packing Company, Buffalo, at 9.18c to 10.18c per pound.

Butter.—The butter used by this hospital is bought on competitive bids, there having been five bids for the present contract. Specifications call for creamery firsts, June packed. This was furnished by Smith & Horton, wholesale grocers, Warren, Pa., at 37½c. A delivery is made each Wednesday. The butter scored 91 points, showing clean and sweet with storage flavors. Stamps on the tubs showed butter was stored June 12, 1922, there being 12 tubs on hand. Monthly consumption is about 3,000 pounds. Peanut butter is used quite freely as a substitute. Box was clean and sweet with temperature of 34 degrees.

State Hospital for the Insane.

Danville, Pa.

Beef.—There were on hand eight to ten carcasses, of very good quality, which were purchased from Armour & Co., Sunbury, at \$14.44, f. o. b. the Institution cold storage plant, this being on contract for the quarter ending September 30th.

Pork.—Hams, 28/30 pounds, \$21.96, f. o. b. Danville. Small lots of bacon are purchased locally, on a non-competitive basis, as required, no prices being available. Lard, and much of the fresh pork used, is produced on the premises.

Butter.—Purchased at one time to last practically an entire year. Bought on competitive bids, there having been six bids on the last 35,000-pound contract, in July, 1922, contract having been awarded to Armour & Co., Sunbury, at .3668c. The entire 35,000 pounds was delivered to cold storage plant at the institution on July 21st. Cooler is held at 18 degrees and contains nothing other than butter. Car No. 11997 scored 89 points, showing alkaline and slight storage flavor. Car No. 11350 scored 89-90, showing old cream and slight storage flavor. Body on a few of the tubs was a trifle weak, there being 483 tubs on hand in the cooler. Consumption is about 3,000 pounds per month.

Pennsylvania Village for Feeble-Minded Women.

Laurelton, Pa.

Practically all meats used at this institution are supplied by local, or near-by, dealers, or farmers. It is stated by the Superintendent, Dr. Mary M. Wolfe, that Swift & Co., Williamsport, and Armour & Co., Sunbury, underbid the local dealers by about one cent per pound, but that such bids do not include freight to the nearest railway point (Glen Iron), nor drayage from that point to the Village, while the quotations of local dealers are for meats delivered at the Village, thus more than offsetting the lower bids of the Williamsport and Sunbury dealers.

Beef.—Bought principally from C. E. Shively, Mifflinburg, a recent purchase having been one side, 214 pounds, at 13c per pound. "Native" is specified, but no specification as to weight, steer, cow, etc.

Pork.—None purchased recently. Usually bought from local farmers as required; no prices available. Lard was last purchased from A. R. Burd, Swengel, at 9c per pound.

Veal, mutton.—The bull calves, and surplus sheep are slaughtered on the premises.

Butter.—Practically no butter is used at this place, that on hand, purchased locally, was very poor. At present "Veribest" oleomargarin is being used; prices not available. When milk supply is in excess of needs for other purposes butter is made, but this is a minor quantity. Ice box clean, with temperature of about 40 degrees.

State Institution for the Feeble-Minded.

Spring City, Pa.

The larger part of the beef used at this institution is produced on the premises, where there is kept a large herd—183 cattle at present, of which 70 constitutes the milking herd. However, some beef is purchased, Swift & Co., Pottstown, delivering three carcasses each Monday and two each Friday. That now on hand, 4½ carcasses, cost 11c.

Pork.—Practically all produced, there being on hand a large stock of hams and bacon and no less than 5,000 to 6,000 pounds of lard.

Mutton.—From Armour & Co., at \$14.23. Two lamb chucks, September 21st, and others September 28th, cost 10c.

Veal.—Practically all that used is produced on the premises. One carcass on hand was supplied by Swift & Co., Pottstown, at 12c.

All meats on hand appeared to grade up to the specifications on which they were contracted; copy of such specifications to be included with samples.

Butter.—That used is made on the farm, principally. During the past year only 2,100 pounds was bought outside. Consumption is about 1,600 pounds per month. There was about 325 pounds on hand. Made in creamery twice weekly. Butter scored 92 points with flavor clean and sweet, color, however, was a trifle high, being almost a deep orange. Butter is kept in a separate cooler at a temperature of 34 degrees.

Pennsylvania Training School for Feeble-Minded.

Elwyn, Pa.

Beef.—Fresh beef and liver supplied during the past quarter by H. D. Rees, Philadelphia, two carcasses being delivered per week at 12c.

Pork.—Hams, no weight specified, at 28c; barreled pork at \$21.50 per 200-pound barrel; lard at 13c, supplied by Armour & Co., Chester. Bacon (ends only), at 16c and frizzled beef at 40c, supplied by Wm. Moland's Sons, Philadelphia.

Veal.—None used.

Mutton.—Swift & Co., Chester, at \$13.40.

Butter.—Both print and tub butter used; bought on competitive bids, there having been six bids on this quarter's contract, which was awarded to Wm. Smith & Co., Philadelphia, at 35c.

There was about 50 pounds print butter and 5 tubs on hand. This scored 89 points, showing old cream and alkaline flavors and mealy body. Box was clean and sweet with temperature of 34 degrees. Monthly consumption is about 2,000 pounds tub and 800 pounds print butter.

Some supplies are purchased on quarterly contracts; some on more or less informal bids as required. Such specifications as were available were procured and are attached.

State Institution for Feeble-Minded.

Polk, Pa.

Beef.—Fresh supplied by Swift & Co., Chicago, at 14.65c for carcasses. Corned beef \$19.50 per 200-pound barrel.

Pork.—Skinned hams, 20/25 pounds, 29.21c; lard, 13.46c; bacon, 25.71c.

Veal.—16.68c per pound; but little used, except that produced on farm.

Mutton.—18.99c.

There were three bidders on practically all the foregoing, Swift & Co., Chicago; Armour & Co., Chicago, and A. L. Brahm Co., Pittsburgh.

Butter.—Both prints and tub butter used. Specifications call for fresh creamery, 92 score. Bought on competitive bids, there being three bids for the quarter ending October 15th. Contract awarded to E. Culver & Co., Pittsburgh, at 37c for prints and 35c for tub. About 170 tubs were also stored in the institution cooler in June, for use during the winter. This ice box kept at 24 degrees; they will start using this about January. This butter scored 90 points, showing cooked, storage, and old cream flavors; body a trifle mealy. The other butter, used daily, scored 89 points, showing storage and cheesy flavors; tubs had appearance of scraped off storage marks. Prints were of same quality, also having storage flavors; seven tubs and 10 boxes of prints of this on hand. Monthly consumption is 3,500 pounds of butter and 2,000 peanut butter.

Western Penitentiary.

Pittsburgh, Pa.

Meats are obtained principally on quarterly contract which is awarded on competitive bids, of which there is usually a considerable number, varying with the kind of meat. The last contract was awarded A. L. Brahm Co., Pittsburgh, the price for rattlers being 6.22c delivered at the Pittsburgh prison, and 7.22c delivered at Rock View, the contract covering both places. 20 to 30 rattlers are used weekly; no hind quarter purchased. The foregoing figures apply to beef.

Lamb.—Racks are bought on open market as required, at 12c to 14c.

Bologna style sausage is bought in open market, the last purchase having been from A. L. Brahm Co., at 10½c.

Pork.—Principally obtained from the farm at Rock View; the same applies to lard. Some compound is used as substitute.

Butter.—Very little used, and that only by the officers. Monthly consumption is about 120 pounds. The prisoners are fed syrups and similar substances as substitutes. No contract is let on butter, the present supply having been received from Winsor and Borchers, Pittsburgh, September 18th, at 38c. This in print form under the trade name "Goldenrod." There was but 12 pounds on hand, scoring 88½ points, showing old cream flavors. Box was clean but the butter kept in the same box as vegetables and other commodities. Temperature of box was 32 degrees.

Pennsylvania Industrial Reformatory.

Huntingdon, Pa.

All fresh meats are bought as required at current prices; all other commodities on quarterly contracts.

Beef.—Bulls, at 5 to 10c, live weight; slaughtered at Reformatory. Some cows bought recently at 9c, dressed weight. One-half steer on hand was of good grade. Carcasses of beef, recent purchases, have been 16c.

Pork.—D. S. Clears, Swift & Co., Harrisburg, at $14\frac{1}{2}$ c; all lard and sausage is produced on the premises where 185 hogs are kept at present.

The D. S. Clears were purchased July 13th; Swift & Co. also supplied at that time Bologna style sausage, at $9\frac{1}{2}$ c also alive.

All meats, for an entire year, cost an average price of between 11c and 12c, about 8,000 pounds of all kinds being used per month.

Butter.—Very little used at this institution—only that supplied the officers and attendants. Syrup used as a substitute for the inmates. The little butter used is contracted to W. H. Brown, Mattawana, Pa., at 50c. Monthly consumption is about 150 pounds. About 25 pounds on hand, kept in a clean and sweet cooler, at 40 degrees, scored 89 points showing slight old cream flavor.

State Industrial Home for Women.

Muncy, Pa.

Beef.—Practically none on hand at time of our visit. One steer was being slaughtered, from a car-load lot purchased about two years since and held as a beef supply; several of this lot remain on hand at this date.

Pork.—Hogs are kept on the premises and the larger part of the pork used produced; some is purchased. Two hams at 28c per pound and four pieces bacon at 27c, from Swift & Co., Williamsport, August 11th, also 50 pounds lard from the same concern.

Meats on hand were of good quality, but comparatively little meat is used on account of the large amount of fruits, vegetables, eggs, chickens, etc., produced on the premises; during September the purchases of meats amounted to 17 pounds bacon and 29 pounds ham, in addition to about one carcass of beef of their own production.

Butter.—Both oleomargarin and butter used; 52 pounds butter on hand, in prints, marked "Brookfield," and 40 pounds oleo, marked "Swift's Premium." Oleo is used chiefly for cooking. Butter scored 89 points, showing alkaline and old cream flavors; this was purchased September 29th, from Swift & Co., Williamsport, at 42c. Consumption of butter is about 60 pounds per month. When needed, three or more informal bids are called for. Ice box clean and sweet, with temperature of 38 degrees.

Pennsylvania Training School.

Morganza, Pa.

Beef.—Until recently was bought on foot and slaughtered at the institution; is now purchased from A. L. Brahm Co., Pittsburgh. Recent purchases were Sept. 27th, one side, 305 pounds, at $14\frac{1}{2}$ c; Sept. 25th, one carcass at $14\frac{1}{2}$ c. 250 pounds beef trimmings, from Swift & Co., Pittsburgh, during quarter ending Sept. 30th, were at $7\frac{1}{2}$ c.

Pork.—All fresh pork produced at the School. During the past quarter 1,757 pounds bacon bought for \$630.83; 10,003 pounds lard for \$1,261.41. 36 hams, 14/16 average, July 15th, from A. L. Brahm Co., Pittsburgh, \$28.75; bacon, 6/8 pounds average, $26\frac{3}{4}$ c; lard, supplied by Swift & Co., Pittsburgh, at $13\frac{1}{4}$ c; Frankfurt style sausage, also from Swift & Co. at 13c.

Veal.—None.

Mutton.—But little; last at 10c.

There were on hand about 1 carcass beef, 650/700, well fatted, native steer, U. S. Inspected; hams, about one dozen showing net weights of 18 to 19 pounds, although 14/16 specified.

Butter.—Partly made on the farm and balance purchased on the market by informal bids. During 1921, 4,261 pounds butter was produced on farm and 3,165 pounds bought. Some oleomargarin also being used, chiefly for cooking. The butter now on hand was supplied by Swindler & Scott Co., Pittsburgh, at 48½c per pound, this being in the form of prints, scoring 89 points, showing old cream and alkaline flavors. The butter of their own make scores 91 points and was fairly clean and sweet. About 800 pounds butter used per month at present time. Box was clean and sweet with temperature of 36 degrees. About 150 pounds prints on hand.

Soldiers' Orphans' School.

Scotland, Pa.

Beef.—One-half carcass and some cuts, all from animals slaughtered on the premises, were on hand. These were of good quality.

Practically all the meats used are produced on the farms connected with the institution.

Butter.—Butter used is made on the place; none is bought. Butterine is also used, the last purchased having been from Swift & Co., at 22c per pound. Monthly consumption is about 250 pounds butter and 500 pounds butterine. About 100 pounds butter on hand, this being in small patties, about 36 to the pound. Butter is made twice weekly; that examined scored 89-90 points, showing old cream flavor. Mr. Signor, the superintendent, much in favor of the use of butterine. Butter is kept in box with vegetables and only fairly clean.

Pennsylvania Institution for the Deaf and Dumb.

Mt. Airy, Pa.

All meats are delivered weekly, or twice weekly, as required, by Geikler Brothers, Philadelphia, to which firm the contract, running for one year, from June 1 to May 31, was awarded. There was on hand 2½ carcasses beef, a few sheep, about one dozen pieces bacon, one barrel smoked hams, a small amount of lard, and some beef liver, all of good grade and conforming to specifications.

Butter.—Butter in prints is used. Competitive bids called for 10,000 pounds for June delivery. A committee of the Board of Directors of the institution select the quality from samples submitted. Last contract, five bids were announced and contract was let to Chas. H. Ringgold, Philadelphia. Butter was delivered to cold storage on the grounds June 15th and June 21st with price 2c above the jobbing quotations, Philadelphia, the day of delivery, which was 44c. Supply on hand will last until the cheaper butter comes in. Butter scored 92 points with clean and sweet and slight storage flavors. Is kept in a special ice box at 28 degrees, there being 134 50-pound boxes of prints on hand. This temperature is hardly cool enough to carry butter long. Monthly consumption is 800 pounds.

Pennsylvania State Sanitarium.

Hamburg, Pa.

All meats used at this institution are slaughtered on the premises. The costs of such meats are carefully and systematically computed, as in the case of six, of a lot of eighteen, steers, which were purchased at Lancaster Stock Yards, October 18th, and slaughtered on the institution farm September 25th. Detailed report is attached. This beef, inspected in the coolers, was of excellent quality.

Pork is produced from hogs raised on the premises, the number being about 150 at present. Several hundred pieces cured and smoked hams and bacon were in stock.

Veal, Mutton.—Practically none used.

The total meat consumption at this institution is 6/10 pound per day per patient.

All animals slaughtered on the premises are given post-mortem inspection at time of slaughter, by Dr. J. O. Reed, veterinarian, Allentown. All cattle on the premises have been tuberculin tested and all hogs immunized against cholera—double treatment.

Butter.—Three tubs on hand scored 90½ points and was fairly clean and sweet in flavor. It was purchased through the Division of Purchases, Department of Health, Harrisburg, September 25th, from A. Salus & Son, Philadelphia, at 40c. Requisition calls for extra firsts, government inspected.

U. S. Department of Agriculture stamp on side of tub under date of September 25th, 91 score and certificate No. 4533.

Place where kept was fairly clean, with temperature at 32 degrees, but meat was also kept in the same box, which is undesirable. Monthly consumption of butter is about 960 pounds.

Pennsylvania State Sanitarium.

Mont Alto, Pa.

Beef.—Six or more carcasses on hand, all of which would grade up to the specification of Native, No. 1, steers, 750/850 pounds. There were also on hand chuck which cost 13c, and hind quarters at 21c per pound.

Pork.—Hams at 26c, bacon at 29c, and a quantity of lard on which the price was not procured.

Veal.—Several calf carcasses, good quality, at 20c.

Mutton.—A few sheep at 22c.

All the foregoing from George L. Wells, Philadelphia, September 22nd. Much of the meats used at this hospital, particularly pork, is produced on the premises, 220 to 250 hogs being kept.

Butter.—On hand 16 tubs. Purchased on requisition when needed, through Division of Purchases, Department of Health, Harrisburg. Present supply procured from A. Salus & Son, Philadelphia, on September 26th, at 39c per pound. Stamped on side of the tubs with U. S. Department of Agriculture inspection stamp, 91 score and certificate No. 4533. Butter scored 91 points, showing fairly sweet and clean flavors. Box was only fairly clean with temperature at 38 degrees. Monthly consumption of butter about 3,500 pounds.

Pennsylvania State Sanitarium.

Cresson, Pa.

Principal part of the meats on hand, consisting of 4 carcasses beef, same of veal, ⅔ barrel weiner style sausage, a number of pieces bologna style sausage, were purchased from United Home Dressed Meat Company, Altoona, being, therefore, uninspected meats. The following prices were furnished concerning meat purchases during August:

Beef.—7,024 pounds fore-quarters, \$772.64; 3,415 pounds hind-quarters, \$683.00; dried beef, 280 pounds, \$126.00; smoked sausage, 802 pounds, \$144.54.

Pork.—Fresh, produced at the Sanitarium and charged up at 1,453 pounds, \$217.95; hams, 194 pounds, \$64.02; bacon, 642 pounds, \$160.50; lard, 260 pounds, \$33.80.

Veal.—3,063 pounds, \$612.60.

The institution produces approximately 25,000 pork annually.

Butter.—Procured by requisition upon the Division of Purchases, Harrisburg, as needed. There were 11 tubs on hand, this scoring 91 points, showing clean and sweet flavors. Tub were stamped on sides by U. S. Department of Agriculture, 91 score, on October 2nd, certificate No. 4557. Butter received from John Jamison, Philadelphia, October 3rd, at 40½c per pound. Butter is kept in a fairly clean box at 38 degrees. Monthly consumption about 3,120 pounds. In settlement of accounts the marked weights on tubs is used.

General Comments.

Meats.—While, as a rule, the grade of meats found on hand at the foregoing institutions, were of very good quality and, in a number of cases meats which were purchased (as distinguished from those produced on the premises) bore the marks of government inspection, from the standpoint of a representative of the Federal Meat Inspection service, it was somewhat disappointing to note that this feature was given no consideration whatever by the management of several institutions. At least one institution bought practically all meats from a slaughtering concern which operates without any inspection whatever. But one of the number inspected, so far as learned, has an arrangement whereby the carcass of every animal slaughtered on the premises, is given careful post-mortem inspection by a veterinarian, at the time of slaughter.

Butter.—In practically all institutions the weight marked on sides of tubs were accepted as the weights on which the bill was paid. Most of the institutions weigh a tub occasionally to find whether the weights hold out. In most cases we find that those who have charge of the butter know very little about its commercial score and take contractor's word for it, unless it gets so poor that they can tell something is wrong.

As a general rule we found the best quality butter in those institutions that buy butter through the Division of Purchases at Harrisburg, and some of those that make their own butter.

It appears that most institutions need more strict specifications on the quality of butter, and to make the contractors adhere to such specifications.

Beef.—It will be noted that the beef at most of the institutions was found to be of good quality. The price per pound varied somewhat. Norristown purchased carcasses at \$0.0993 per pound, Wernersville at \$0.13, Allentown at \$0.1434, Danville at \$0.1444, Spring City at \$0.11, Elwyn at \$0.12, Morganza at \$0.145, Warren at \$0.117, Polk at \$0.1465.

Inasmuch as there is no standard specification for beef for the state it is somewhat difficult to compare these prices. There would naturally be a slight difference in price owing to transportation charges. These differences, however, should not exceed a fraction of a cent per pound.

The question naturally arises, why institutions with a like character of inmates should use beef of such different qualities, or, if not different qualities, differing so much in price. Norristown, an institution for the insane, used beef costing \$0.0993,

whereas Polk, an institution caring for the feeble-minded—a class of inmates somewhat lower in grade than the insane—paid for its beef \$0.1465. Assuming that each of the institutions paid a reasonable price for the quality used, why should Norristown use a quality costing a little less than ten cents per pound, whereas the institution for the feeble-minded at Polk used a quality that cost nearly five cents more per pound?

It will be noted that Hamburg purchased beef on the hoof and butchered it. On September 18th six steers were purchased at Lancaster at \$0.0885 per pound. The aggregate cost of these steers at Lancaster was \$643. After adding the cost of delivery and of butchering, and deducting the offal, the net cost of the dressed beef to the institution was about \$0.1438 per pound. This corresponds fairly closely to prices that were current in some of the institutions. Inasmuch as good dressed beef should have been purchased at that time for not more than thirteen cents a pound there is some question as to whether or not this procedure is profitable.

Not only is there some question as to the lower cost of purchasing meat on the hoof, the institution doing the butchering, but there is also danger involved in it, inasmuch as the beef is not inspected by veterinaries. This is true except as noted at one institution. There all carcasses were inspected at slaughtering.

It will be noted in connection with the report on Muncy that at the time the inspectors were at the institution a steer was being slaughtered which was one from a carload that had been purchased two years previously—and there yet remain several of this carload. It is highly probable that this beef has cost the institution very much more than a like quantity would have cost if purchased dressed as needed.

Butter.—Good butter scores about 90-91 points. It will be noted, by review of the foregoing report, that considerable of this butter scored as low as 87 points. Butter scoring that low is described as follows: “* * * * * showing unclean, stale flavors; color, mottled.” “* * * * * showing unclean, cheesy and storage flavors.”

At the following institutions oleomargarine was being used in whole or in part as a substitute for butter: Laurelton, Muncy, Scotland and Morganza. Quite a number of the institutions are

using print butter, although at the same time purchasing a good quality of tub butter. The following prices were paid for butter scoring the points indicated:

<i>Institution</i>	<i>Points Scored</i>	<i>Price Paid</i>
Mt. Airy.....	92	44c
Polk.....	92	37c
Polk.....	90	35c
Mt. Alto.....	91	39c
Cresson.....	91	40½c
Warren.....	91	37½c
Hamburg.....	90½	40c
Huntingdon.....	89	50c
Morganza.....	89	48½c
Muncy.....	89	42c
Danville.....	89	36.68c
Elwyn.....	89	35c
Norristown.....	88.89	35.37c
Western Penitentiary....	88.5	38c
Allentown.....	87	34c

A review of the foregoing prices paid for butter, in comparison with the grades examined by the Federal Inspectors, showed marked variation in prices paid. For some butter scoring low the institution paid a high price.

The butter for the institutions under the supervision of the Health Department was examined at the point of purchase by federal inspectors. This insured the delivery of the quality purchased, a method which proves very satisfactory in practice. A novice can detect rancid butter, but it takes one well trained in butter-testing to detect the difference in scores between 89 and 91 points; but there is a considerable difference in price between butter scoring 92 and butter scoring 91, or between butter scoring 91 and butter scoring 90, or as between scores of 90 and 89. Obviously the institutions are not doing good purchasing of butter.

It was stated above that certain of the institutions were purchasing oleomargarine instead of butter. It is against the law in Pennsylvania to use this product in the institutions maintained by the state. It is highly probable that the superintendents of these institutions were not aware that they were breaking a law in purchasing oleomargarine.

Results of Purchasing in Pennsylvania Compared With Other States.

During the years 1909 and 1910 the writer was making an examination of the effect of different forms of fiscal control over institutions in the three states of New York, Indiana and Iowa. As a part of this examination the results of the purchasing systems in these three states were examined. In New York State purchasing was done by the individual institutions, supplemented by a central purchasing committee composed of officers of the institutions. This committee purchased jointly for all institutions any articles which it deemed advisable to so purchase. In Iowa all of the equipment, material and supplies of the institutions were purchased by the Board of Control located at Des Moines. In Indiana each institution purchased its own supplies, without even the auxiliary help of a purchasing committee.

In examining the results of purchasing the writer collected samples of food from the institutions of these three states, and had them examined by experts—those for Iowa and Indiana in Chicago, and again re-examined by an expert in New York City. The supplies from the institutions of New York State were likewise examined in New York City. The basis of judgment of the effect of purchasing in the three states was the same basis which is now being used in connection with this report of the purchasing done by the institutions in the State of Pennsylvania.

The results of the examination of the samples of food gathered from New York, Indiana and Iowa were set forth in the following tables from the report on *Fiscal Control of State Institutions*, pages 323, 324, 333, 334 and 335.

TABLE VI.

QUALITY OF FOODS.
Grading by Chicago experts in *Italics*. Grading by New York experts in Roman type.

ARTI- CLES	NEW YORK					INDIANA						
	Rochester	Bingham- ton	Rome	Bath	Kings Park	Elmira	Randalls Island	Eastern Hospital	Southern Hospital	Central Hospital	Northern Hospital	Jefferson- ville
Rolled oats	No. 1	No. 1	No. 1	No. 1	No. 2	No. 1	No. 1	No. 1	No. 1	Fancy	Fancy	No. 1 No. 1
Hominy....	Grits Fancy	Grits Fancy	Grits Fancy	Grits Fancy	Grits Fancy	Grits Fancy	Grits Fancy	Cracked Fancy Fancy Prime Imported Prime	Cracked Fancy Fancy	Cracked Fancy Fancy	Cracked Fancy Fancy	
Beans....	Fancy	Fancy	Fancy	Fancy	Fancy	Fancy	Fancy	Prime Imported	Ex. Fancy	Prime	Ex. Fancy	
Peas (split) .	Fancy	Fancy	Good	Good	Good	Fancy	Fancy	Fancy	Choice	Choice	Fancy	
Rice.....	Screenings	Screenings	Japan style	Japan style	Japan style	Screenings	Japan style	Choice Choice	Choice Fancy '10 fancy	Choice	Screenings Good Prime	
Macaroni...	Choice	Choice	Prime	Prime	Choice	Prime	Fancy	Poor		No. 1 Good	No. 1 Poor	
Apples....	Choice	Choice	Choice	Choice	Choice	Fancy	Fancy	Fancy		Choice	Screenings Fair Poor	
Peaches....	Choice	Choice	Choice	Choice	Choice	Choice	Choice	Choice		Choice	Broken Fancy	
Prunes....	Choice	Choice	Standard								Prime Choice	
Apricots....			3 Crown	Standard	Standard	Standard	Choice Choice					
Raisins....			Standard	Standard	Standard	Standard	Standard	Standard	Standard	3 Crown Choice Standard loose	3 Crown Choice Standard loose	

TABLE VI—CONTINUED.

ARTICLES	INDIANA				IOWA							
	Ft. Wayne	Soldiers Home	Michigan City	Boys Industrial	Girls Industrial	Ft. Madison	Anamosa	Independence	Marshalltown	Eldora	Glenwood	Clarinda
Rolled oats...	No. 1 No. 1		No. 2 No. 2			No. 2 No. 2		No. 1 No. 2	No. 1	No. 2		No. 2
Hornin'	Cracked Fancy Fancy	Cracked Prime Fancy	Cracked Prime Fancy	Cracked Prime Fancy	Cracked Prime Fancy	Cracked Prime Fancy	Cracked Prime Fancy	Cracked Fancy	Cracked Fancy	Rolled Fancy	Cracked Fancy	
Beans	Prime Choice	Prime Choice	Fancy Imported	Prime			Fancy	Fancy	Fancy	Choice	Choice	
Peas (split).											Good	
Rice	Japan style Good Fancy	Screenings Fair Prime	Screenings Fair Prime	Screenings Fair Prime	Choice '99 choice	Japan style Choice		Japan style Fancy	Japan style Fancy	Japan style Prime	Japan style Prime	Japan style Prime
Macaroni	Broken Prime				Broken Choice				Broken Prime	Broken Prime		
Apples		Choice			Sun dried Prime Choice	Sun dried Prime Choice		Low prime Low prime	Choice	Choice	Choice	Fancy
Peaches	Choice Poor Choice	Standard Ungraded	Choice Poor Choice	Extra Choice Extra Choice	Choice Choico	Choice	Low prime					
Prunes	Choice Choice	Choice Standard	Poor Choice	Choice Choice		Choice	Low prime			Choice	Choice	Choice
Apricots					Choice Choice							
Raisins	3 Crown Choice Standard loose	Seedless Suitana Choice	Seedless Suitana Choice	Thompson Seedless Choice	3 Crown Poor	3 Crown Seeded Choice Standard			3 Crown	3 Crown	Seeded Poor	Choice

TABLE VII.
PRICES PAID FOR CEREALS, SUGAR, BEEF AND DRIED FRUIT
AT THE PERIODS INDICATED

TABLE VII—CONTINUED.

INSTITUTION	BEEF, STEERS				PRUNES, 60-70				EVAP. APPLES				EVAP. PEACHES			
	Oct., '09	Oct., '10	Avg., '09-'10	Oct., '09	Oct., '10	Avg., '09-'10	Oct., '09	Oct., '10	Avg., '09-'10	Oct., '09	Oct., '10	Avg., '09-'10	Oct., '09	Oct., '10	Avg., '09-'10	
NEW YORK:																
Middletown Hospital	.0728	.0836	.0790	.0470	.0724	.0460	.0824	.0803	.0780	.0655	.0681	.0780	.0650	.0680	.0680	.0680
Rochester Hospital	.0721	.0836	.0840	.0476	.0724	.0460	.0824	.0795	.0710	.0653	.0780	.0680				
Utica Hospital	.0725	.0836	.0880	.0473	.0724	.0460	.0824	.0795	.0710	.0653	.0780	.0680				
Elmira Reformatory	.0745	.0855	.0790	.0476	.0635	.0470	.0808	.0825	.0810	.0638	.0702	.0700				
Bedford Industrial School	.0811	.0936	.0860	.0466	.0625	.0460	.0808	.0825	.0830	.0638	.0700	.0670				
Industry, Industrial School	.0790	.0880	.0840	.0476	.0635	.0470	.0850	.0825	.0830	.0638	.0702	.0670				
Randalls Island, Industrial School	.0790	.0880	.0850	.0466	.0625	.0460	.0840	.0850	.0830	.0638	.0702	.0670				
Rome, Feeble-minded	.0758	.0986	.0810	.0474	.0633	.0670	.0719	.0850	.0840	.0646	.0702	.0670				
Syracuse, Feeble-minded	.0745	.0880	.0830	.0476	.0635	.0470	.0850	.0850	.0850	.0648	.0702	.0680				
Sonyea, Epileptics	.0715	.0850	.0750	.0476	.0635	.0470										
Average	.0756	.0880	.0827	.0472	.0650	.0483	.0816	.0828	.0805	.0647	.0721	.0671				
INDIANA:																
Richmond, Eastern Hospital	.0746	.0792	.0830		.0350		.0800	.0850	.0810	.0687	.0566	.0560				
Indianapolis, Central Hospital	.0668	.0762	.0850		.0525		.0480	.0500	.0510	.0570	.0510	.0570	.0671			
Evansville, Southern Hospital	.0669	.0725	.0800		.0525		.0445	.0525	.0625	.0560	.0550	.0560	.0620			
Logansport, Northern Hospital																
La Fayette, Soldiers Home	.0720	.0775	.0850		.0550		.0750	.0610	.0740	.0925	.0770	.0736	.0620			
Jeffersonville, Reformatory																
Michigan City, Prison	.0723	.0760	.0860		.0387		.0600	.0430	.0625	.0725	.0775	.0777	.0593			
Ft. Wayne, Feeble-minded																
Average	.0705	.0782	.0838		.0456		.0679	.0503	.0790							
Clarinda, Hospital																
Independence, Hospital	.0760	.0860	.0830		.0737		.0925	.0900	.0900	.0650	.0775	.0725	.0670			
Marshallton, Soldiers Home	.0755	.0870	.0860		.0737		.0858	.0900	.0850	.0603	.0640	.0640	.0630			
Anamosa, Reformatory	.0752	.0870	.0850		.0738		.0670									
Ft. Madison, Prison	.0780	.0823	.0860		.0737		.0670									
Eldora, Boys Industrial	.0800	.0775	.0780		.0780		.0925	.0900	.0900	.0556	.0725	.0725	.0630			
Glenwood, Feeble-minded	.0782	.0860	.0840		.0737		.0737									
Average	.0782	.0833	.0853		.0737		.0670	.0902	.0918	.0883	.0624	.0725	.0646			

TABLE VIII.

AVERAGE PRICES PAID FOR CEREALS, SUGAR AND DRIED FRUITS IN NEW YORK, INDIANA AND IOWA FOR THE PERIODS INDICATED.

ARTICLES	NEW YORK			INDIANA			IOWA		
	Oct., 1909	Oct., 1910	Average, Oct., '09- Sept., '10	Oct., 1909	Oct., 1910	Average, Oct., '09- Sept., '10	Oct., 1909	Oct., 1910	Average, Oct., '09- Sept., '10
Corn meal.....	\$.0181	\$.0184	\$.0180	\$.0178	\$.0147	\$.0177			
Rolled oats.....	.0285	.0265	.0265	.0296	.0250	.0270	\$.0264	\$.0205	\$.0250
Rice.....	.0387	.0345	.0334	.0497	.0414	.0460	.0425	.0350	.0370
Beans (navy).....	.0387	.0416	.0390	.0394	.0438	.0377	.0418	.0417	.0413
Sugar.....	.0506	.0526	.0518	.0517	.0535	.0530	.0511	.0540	.0528
Prunes, 60-70.....	.0472	.0650	.0483	.0456	.0679	.0503		.0737	.0670
Evap. apples.....	.0816	.0828	.0805	.0790	.0809	.0787	.0902	.0918	.0883
Evap. peaches.....	.0647	.0721	.0671	.0624	.0710	.0651	.0624	.0725	.0646

TABLE IX.

PER CAPITA COST OF CEREALS, SUGAR AND DRIED FRUITS IN NEW YORK, INDIANA AND IOWA, BASED UPON AN ASSUMED CONSUMPTION.

ARTICLES	Am't. con- sumed, pounds	NEW YORK			INDIANA			IOWA		
		Cost			Cost			Cost		
		At price Oct., 1909	At price Oct., 1910	Avg. price '09- Sept., '10	At price Oct., 1909	At price Oct., 1910	Avg. price '09- Sept., '10	At price Oct., 1909	At price Oct., 1910	Avg. price '09- Sept., '10
Corn meal.....	10	\$.1810	\$.1840	\$.1800	\$.1780	\$.1470	\$.1770			
Rolled oats.....	7	.1995	.1855	.1855	.2072	.1750	.1890	\$.1848	\$.1435	\$.1750
Rice.....	6	.2322	.2070	.2004	.2982	.2484	.2760	.2550	.2100	.2220
Beans (navy).....	20	.7740	.8320	.7800	.7880	.8760	.7540	.8360	.8340	.8260
Sugar.....	50	2.5300	2.6300	2.5900	2.5850	2.6750	2.6500	2.5550	2.7000	2.6400
Prunes (60-70).....	9	.4248	.5850	.4347	.4104	.6111	.4527		.6633	.6030
Evap. apples.....	5	.4080	.4140	.4025	.3950	.4045	.3935	.4510	.4590	.4415
Evap. peaches.....	3	.1941	.2163	.2013	.1872	.2130	.1953	.1872	.2175	.1938
Total.....	110	4.9436	5.2538	4.9744	5.0490	5.3500	5.0875	4.4690	5.2273	5.1013

During the summer of 1920 the writer made an examination of the purchasing for institutions made in Illinois and Indiana by the methods indicated above. The results of the examination of the samples taken from the institutions of those two states are set forth in the accompanying tables, which are copied from the report of that examination, entitled, "*One Man Control of Institutions*"; published in November, 1922.

RATING OF SAMPLES OF FOOD SECURED AT STATE INSTITUTIONS OF ILLINOIS.

Note—The unit cost is for the contract period beginning July 1st for delivery during the following three months. Each key number represents a specific institution.
The cost under each key number represents the value of the food delivered.

Specifications	Contract Price	No. 10	No. 11	No. 12	No. 13	No. 14	No. 15	No. 16	No. 17	No. 18	No. 19
Evaporated Apples. Choice Ring Cut; to be made from peeled and cored apples, containing not more than 27% moisture. 50-lb. current crop; net weight when packed.	.11	.11	.09	.09	.11	.10	.1075	.11	.10	.....	.11
Evaporated Peaches. Choice 50-lb. boxes; net weight when packed.	.11	.09	.70-80	.90-100	.....	.105	70-80	.11	.....	.....	.10
Prunes. California Clean, 60's to 70's; 50-lb. boxes net weight when packed.	.11	.12 $\frac{5}{8}$	.12 $\frac{5}{8}$	.09	.....	.145 $\frac{1}{8}$	.12 $\frac{5}{8}$	.145 $\frac{1}{8}$	80-90	.....	.11 $\frac{1}{8}$
Evaporated Apricots. Choice halves. 50-lb. boxes	.14 $\frac{5}{8}$	.....	.....	.....	.....	.....	.....	.....	80-90	.....	.....
Evaporated Apricots. Choice labs. California 50-lb. boxes	.21 $\frac{1}{8}$	.21 $\frac{1}{8}$	.20	.....	.....	.....	.....	.....	.....	.....	.....
Navy Beans. Dried. Michigan grading, latest crops, in bags.	.2625	.....	.....	.....	.....	.....	.....	.....	.....	.....	.2625
Rice. Choice, broken in sacks.	.075	.0725	.0725	.075	.07	.075	.075	.075	.075	.....	.....
Tapioca. Pearl, good quality in bags.	.0725	.0648	.0648	.0648	.0675	.0725	.0725	.0675	.075	.....	.....
Rolled Oats. Good quality made from white oats; free from smut and of latest crop. To be thoroughly kiln dry, free from hulls and other deleterious matter. 90-lb. bags	.0648	.....	.....	.....	.0475	.06	.0475	.0475	.045	.....	.05
	.06	.0475	.06	.0475	.06	.0475	.0475	.0475	.045	.....	.06

RATING OF SAMPLES OF FOOD SECURED AT STATE INSTITUTIONS OF INDIANA.

Note—The unit cost is for the contract period beginning July 1st, for delivery during the following three months. Each key number represents a specific institution.
The cost under each key number represents the value of the food delivered.

Specifications	Contract Price	No. 1	No. 2	No. 3	No. 4	No. 5	No. 6
Evaporated Apples. Choice Ring Cut in 50-lb. boxes. Samples.	.14	.14	.....	.....	.....	185	185
Evaporated Peaches. Choice California Muir in 50-lb. boxes. Samples.	.185	.185	.....	.....	.....	90-100	90-100
Prunes. Choice California Santa Clara, 80-90, in 50-lb. boxes. Samples.	.....	.....	.....	.....	.....	.125	.125
Evaporated Apricots. Choice hand-picked navy in bags. Bags free. Sample.	.135	.....	.....	.....	.....	.28	25
Navy Beans. Choice, whole. Unbroken head rice, in original bags. Sample.	.28	.....	.....	.....	.....	.082	.....
Rice, Broken. Broken Rice in original bags. Sample.	.082	.....	.....	.....	.....	.1175	1175
Tapioca. Pearl, oz. packages, in case. Bulk in 140 lb. bags. Bags free.	.1175	.....	.....	.....	.....	.095	.....
Rolled Oats. In bags or original barrels.	.05	.02	.....	.....	.....	.07	.....
	.05	.02	.....	.....	.....	.03	.....

In commenting on the qualities of food delivered to the institutions in the three states of New York, Indiana and Iowa the writer in his "*Report on Fiscal Control of State Institutions*" stated:

"A review of the findings gives the general impression that the qualities in New York State grade slightly better than those in Indiana, while Iowa ranks third. It would naturally be expected that considerable variation would appear in Indiana, inasmuch as each institution purchases its own supplies, while all of the supplies under consideration in New York and Iowa are contracted for by a central department, or committee, and would naturally be expected to be of a uniform grade throughout the state. That they are not quite uniform in these two states is evident from the table. A few more exceptions are noted in Iowa than in New York. Inasmuch as the variations are nearly the same in each state, for the purpose of comparing prices, it may be fairly assumed that all of these supplies are of like grade."

In commenting upon the tables making comparison of the deliveries in Illinois and Indiana, the writer in his report stated:

"All things considered, however, it seems fair to conclude that the two systems (*i. e.*, that in Illinois and the one in Indiana) are producing about equally good and equally bad results. Comparing the results in Indiana with the results published in '*Fiscal Control of State Institutions*' ten years ago it would seem that the purchasing is less satisfactory now under a central purchasing committee than when done by the institutions purchasing separately. This result, however, is probably due, not to the modified system of purchase but to the fact that the system has been in operation but a short time; that disturbed market conditions make it difficult to secure deliveries; that it was much resented by the institutions, and that it has not had a fair opportunity to produce the results that might be expected of such a system."

A comparison of the results set forth in the tables showing the quality of deliveries in New York, Indiana and Iowa published ten years ago and the table showing results of the purchasing in Illinois and Indiana during 1920 and the results of the purchasing done in Pennsylvania as shown by the foregoing table, is difficult.

It was not difficult to judge the value of deliveries in the four states, New York, Indiana, Illinois and Iowa, owing to the fact that each of those states had standard specifications. All institutions in the respective states purchased the same quality of each supply, and naturally would be expected to receive the same grade. In Pennsylvania, however, each institution has its own specifications, and, as has been heretofore noted, they differ materially. Under these circumstances it is difficult to judge the value of goods actually delivered as compared with the quality that was contracted for, since the qualities are not uniform in the different institutions.

The best that can be done is to exercise a general judgment of the amount of variation in the deliveries in each of the states, from the standard specifications. In Pennsylvania most of the deliveries met reasonably well the specifications under which the purchasing was done. The deliveries on navy beans were notably defective; and certain other articles fell below the specification. On the whole, however, the deliveries to the institutions in Pennsylvania seem to correspond with the specifications as nearly as did the deliveries in the states heretofore indicated. In other words, so far as the method adopted of checking up deliveries shows, the quality of supplies delivered to the institutions in Pennsylvania did not fall below specifications in a greater degree than did the deliveries in New York, Indiana, Illinois and Iowa, where the methods of purchase are different from those in Pennsylvania.

In short, it makes little difference what form of purchasing is adopted, if there can be no assurance that the things purchased are of the same quality on delivery as those specified in the contract.

It is obvious from an examination of the samples delivered to the institutions in Pennsylvania, with prices paid, that a better regulation of purchasing is needed. In attempting to arrive at some conclusion as to changes which might be most advisable it is well to consider first the general relation of the problem of buying to the institutional problem as a whole.

XI.

Factors Involved in Good Purchasing for Institutions.

The crux of good purchasing is deliveries, and, all things considered, any system of purchasing which more nearly insures deliveries corresponding to contracts is likely to be the most successful system of purchasing.

A central purchasing bureau as usually constituted is dissociated from, and has no control of, the institutions for which it purchases. In other words, the receiving agents in institutions are not employes or agents of the purchasing bureau. The result is that these agents when receiving supplies purchased by a board that has no relation to them are very much less inclined to check closely the quality of the goods received than when they themselves are the purchasers as well as the receivers of the goods.

It is possible that this indifference on the part of the receiving agents accounts largely for the fact that the defective deliveries to institutions in states where there is central purchasing are as frequent as in states where the purchasing is done by the separate institutions. This difficulty probably could not be overcome except by making the receiving agents in institutions agents also of the central purchasing department. But such an arrangement would place the central purchasing department in full, or partial, control of the institutions, a form of governmental organization which few, if any, would endorse.

Purchasing cannot be done wisely by a central board where that board is expected to purchase practically all things used by the state, such as machinery, road material, stationery, clothing, food, et cetera, unless it has an expert on each line of material to be purchased. And even though the central board had such experts they could not insure that the materials delivered were up to the specifications under which they were purchased. But it is impracticable to have experts for all lines, owing to the very great overhead that would be involved. The cost of experts along various lines would more than offset any saving that some assume to be effected by central purchasing. Owing to this fact central purchasing boards do not have experts along various lines, and as a result some lines are injudiciously purchased. For instance, in Illinois the head of the purchasing bureau was a clothing merchant—a successful, competent and honest man. He did good work in the purchasing of fabrics and clothing for the state, but he did exceedingly poor work in the purchasing of food. Had a grocer been selected for this position he probably would have done equally poor work in the purchasing of fabrics and clothing. Moreover, when purchasing is done by a board not connected with the institutions or responsible for the welfare of the institutions, the agents at the institutions who must receive the goods purchased by the central board take comparatively little interest in determining whether or not the articles received meet the specifications under which they were purchased by the central board, which has no relation to the institutions except the province of purchasing. As a result, these agents are liable to accept lower grades of food and other supplies than they would accept were they themselves purchasing. These personal factors must be

given careful consideration in attempting to determine the kind of purchasing system best adapted to the purchasing of supplies for institutions.

Advocates of central purchasing for institutions are frequently misled by the assumption that the larger the purchase the less the unit price. They have in mind probably a comparison between the purchases of a small firm with those of a large corporation. Let it be assumed that a large corporation can purchase at a somewhat lesser price than can a small firm. In what sense can this fact be applied to purchasing for institutions? The main reason why a manufacturer can sell profitably at a lesser price to a large corporation than to a small one is that he can ship in larger quantities at one time to a large corporation, whereas he is required to ship in smaller quantities at various times to a small firm. It is not so much the quantity purchased that enables the manufacturer to give the lesser price as it is the opportunity to ship in large quantities at one time, thereby reducing handling charges. These basic conditions do not exist in connection with purchases for institutions. Suppose the flour for all of the institutions of a state were to be purchased in one contract. It could not be delivered at one time by the contractor, but must be delivered at various points over the state, and in any quantity and at any time requisitioned by the various institutions. In other words, although the quantity contracted for may be large the final delivery of the contract is split up into many deliveries at many points, and at varying times. Thus the contractor is put to greater expense and much more trouble than would be the case were he delivering the whole contract at one time and at one place.

The advocates of central purchase are sometimes misled also by the supposition that large purchases permit carload lot deliveries distributed at different destinations. Under the Interstate Commerce Commission's ruling a carload rate is permissible only under the circumstances that the consignor delivers to one consignee at one place and at one time. In other words, carload rates cannot be secured where a carload is distributed to various delivery points. There are but few items used by institutions which can be delivered in carload lots, and those only in the cases of the largest institutions.

Again, there are comparatively few commodities on which the

price for large quantities is less than that for moderate-sized quantities. In the case of electric-light bulbs the custom of the trade is to reduce the unit cost in proportion to the number contracted for. This same custom applies to the typewriter trade, but it obtains in very few other commodities. In most commodities the basing price is on case or unit package lots, or a certain small number of cases or packages, and no less price is granted to a buyer who buys in much larger quantities. With the exception of very few commodities an institution with a population of 400 can buy its supplies at the minimum unit price. In other words, any institution that is large enough to purchase in original case lots can secure minimum prices.

Another factor that militates against purchasing by a board located at the capital is that, where all supplies are purchased by one board the task of purchasing is so great that it must necessarily be done by subordinates, and thus it becomes largely a clerical job. The result is that it soon becomes the custom in such a purchasing bureau to purchase at stated periods, regardless of market conditions, and to exercise a clerk's judgment rather than the judgment of an executive; and the clerk's judgment is almost invariably a judgment that "plays safe." In other words, the purchasing decision is exercised by a man who is not willing or able to exercise discretion. Thus the actual purchasing is done by a person of less caliber and responsibility than that of an agent performing the same function in an individual institution.

Another difficulty with central purchasing is that purchasing will not be done until requisitions for an article to be purchased are received from each and all of the institutions needing the article. Regardless of regulation and requirement that requisitions must be in at a stated time there will be delays on the part of one or more institutions in getting the requisitions in. As a result the purchasing for all institutions is held up waiting for the requisition of one institution. This particular article may be sorely needed by a number of institutions, and yet cannot be secured because the central purchasing department is waiting for one or more requisitions. This is not a theoretical situation, since it has happened repeatedly in the experience of the writer in connection with his administration of the municipal institutions in New York City, where purchasing was done by a central bureau.

A concrete illustration of a delay due to a central contract was noted in Illinois. The central purchasing agent had placed the contract for binding twine for all the institutions of the state located on farms. The price was about 22c a pound and the contract was placed in the early spring. Time went by and there were no deliveries of twine. The Superintendent of the State Hospital at Alton began to get worried, fearing he would not have binding twine to enable him to do his harvesting. He wrote repeatedly to the central department, calling attention to this fact, but was told that the binding twine would be delivered under the contract in due course of time. As it grew very near to harvesting the superintendent went into the town of Alton and inquired whether he could secure binding twine. He was told he could, and at 17c a pound. It was of the same quality that had been contracted for by the central purchasing department at Springfield. This information the superintendent sent to Springfield, but received word back that they were under contract and must await delivery by the contractor. Fortunately the twine did arrive just in time to do the harvesting, but in the meantime that superintendent had written repeatedly, and telegraphed to the central purchasing department, consuming time and energy that should have been given to the care of his patients. This is not an exaggerated illustration. It is a thing that is of common occurrence in connection with central purchasing.

The assumption that a larger quantity can be purchased at a correspondingly lower unit price is by no means always true. When the central purchasing bureau was established in New York City it began by advertising all the beef for the municipal institutions as one line. It soon learned that only the big western packing houses bid on so large an amount of beef. It found that it was necessary to divide the total amount required into several lines, in order to give an opportunity for the smaller firms to bid—thus nullifying the argument in favor of a consolidation of all requirements into one contract. After this bureau had divided the beef proposal into several lines ranging, for illustration, from 200,000 pounds down to 50,000 pounds, all deliveries to be made at one point—at a pier on the East River—it was found on opening the bids that the lowest price quoted was on the smallest amount, namely, on the 50,000-pound item, whereas according to the

argument on which central purchasing is based the lowest price should have been quoted on the 200,000-pound lot.

Buying is but one element in the conduct of manufacturing, operating a store or an institution. In determining how to buy, a business organization or corporation must keep in view its primary object, viz., that of making a profit. That system of buying will be adopted which will show the greatest margin between cost and sales income, and a business corporation always adjusts its buying processes with that object primarily in mind. For instance, a big railroad corporation like the Pennsylvania Railroad has a central purchasing department, but it gives division agents and superintendents the power to purchase if any emergency arises which seems to warrant purchasing at a price higher than that at which the central department could purchase. In other words, the primary object of the Pennsylvania Railroad is to keep its trains moving so that it may haul freight and passengers, whence its profits are derived; and its buying system is adjusted to that end. Moreover, if any process which may be adopted at any particular time is found in practice to cause delays, there is no tendency to hold to a scheme or process just because it has been adopted. It will be changed at once, and adjusted to fit the existing conditions. This statement is true as applied to any business corporation.

The primary object of operating institutions is not to make profit but to care for patients and inmates, and all forms of organization, administration and processes of buying must be decided upon with this primary object of the institution in view. Thus it must be borne in mind that the object of operating the institution is entirely different from that of conducting a business. Therefore, any process of buying for institutions which tends to interfere materially with the efficiency of the institution as a therapeutic agency is a faulty process of buying. It is just as important in the conduct of institutions to keep up momentum as it is that the momentum of trains should be maintained by a railroad. A railroad adopts systems of purchase so flexible that the momentum of its various parts will not be interfered with. A purchasing system for institutions must keep this same principle in mind, but momentum as applied to institutions is the efficient care of patients and inmates.

The inevitable tendency of a central purchasing bureau is to

delay the process of buying for institutions. The institutional momentum is slowed down and the care of the inmates is interfered with.

Even though purchasing through a central state bureau might, perchance, save some money, the possible saving must be balanced against the loss to the patients caused by the system's usurping the time and nervous energy of the superintendent.

It is not, however, conceded that a central purchasing department can save materially over some other methods of purchasing. To the writer's knowledge nothing has been published by any central purchasing departments that makes out a clear case of material saving for institutions by its methods as compared with other methods. Many reports have been published claiming certain saving. These claims, however, are not well substantiated. The only way in which conclusive evidence could be secured would be to purchase simultaneously by several different methods, over a period of time, and compare the results obtained by each. This has not been done. Where central bureaus have claimed a saving they have compared prices which they have paid with prices previously paid. This does not take into account a variety of factors, such as market conditions, the desire of a particular firm to unload at a particular time, et cetera. Moreover such reports seldom include losses incurred. For instance, the central purchasing bureau in New York City some years ago, on one article, lost over \$10,000 due to a delay in placing an order. The loss was not noted in its annual report.

An illustration of the loss in central purchase not usually published in an annual statement of savings made by central purchasing is the following: the State of Pennsylvania has central purchasing for institutions in a small way in the Department of Health. This Department operates three tuberculosis hospitals, for which it purchases supplies at the central office in Harrisburg.

The agent of the Department during October, 1920, purchased for the three hospitals 133,421 pounds of sugar at .114 per pound. This lasted nearly through the following year 1921. Only 22,378 pounds in addition were purchased during the year; including this small quantity purchased at prevailing prices, the average cost of the sugar consumed during 1921 was .104 per pound.

The three hospitals had a combined population of 2,013. During

the year 1921 twelve of the smallest institutions of the state, having a combined population of 1,998, each purchased sugar separately. The smallest of the institutions had a population of only 39, the largest 413; the average size was 166. These small institutions purchased sugar at the average price of .0655 per pound. Had the central purchasing system operated from Harrisburg done as good purchasing the state would have saved \$5,142. The loss to the state is due solely to misjudging market conditions.

Almost conclusive evidence as to minimum unit prices can be obtained by securing from different trades their price quotations in relation to quantity. The writer has made many inquiries of this sort, and as applied to but few articles has he been able to find a progressive reduction in price as the quantity sold increases. He found it true of electric-light bulbs and typewriters, but it does not apply to the great bulk of supplies used by institutions.

XII.

Bureau of Standards and Purchase.

As has been shown heretofore, there is little standardization in the State of Pennsylvania, either of specifications or of salaries. It is highly advisable that there be some agency empowered to standardize. Certain of the purchasing of the State can be done advantageously by one bureau, namely, the supplies that are used by the offices in Harrisburg and certain selected supplies used by the institutions. It would therefore seem advisable to create an agency having four functions: (1) Standardization of specifications. (2) Standardization of salaries and wages. (3) Purchasing of certain supplies. (4) Giving market information. This agency could be appropriately called the Bureau of Standards and Purchase.

Since the Department of Grounds and Buildings is essentially an administrative department whose primary function is to care for the buildings and grounds of the government in Harrisburg, it would seem advisable to restrict its functions to those for which it was primarily organized, namely, merely administrative functions, and to remove from it the power to purchase which it now exercises. This power to purchase might well be transferred to some new agency, or, preferably, to an existing agent of the

government; that agent to be endowed, also, with the power to standardize.

It is recommended that an agent or bureau be given the following circumscribed and limited powers: (1) To formulate and establish standard specifications for all articles, materials and supplies used by the state, subject to the following conditions and limitations:

(a) No specification to become fixed as a standard until it shall have been approved by the head of the department using the supplies described in the specification.

(b) The head of a department to have the power to authorize a specific purchase under a modified specification providing he notifies the Bureau of Standards and Purchase and the Auditor-General stating his reasons for the modification and the estimated difference in cost of the article under the established and modified specification.

(c) The agents receiving supplies purchased under the specification to have the power to receive articles of an emergent nature which do not comply with the specification providing an appropriate deduction is made to cover the deficiency.

All contracts to provide for such possible deductions.

(2) To standardize all salaries and wages of persons employed by the state except those established by law, subject, however, to the following conditions: that in standardizing a salary scale for a particular class of work or service the location of the work and the condition under which the service is rendered be taken into consideration. For instance, service in an isolated institution, far from a recreational center, is relatively undesirable, and the institution finds it much more difficult to secure workers than does an institution located in or near a city.

(3) To purchase: (a) all furniture, equipment and supplies used in the offices of the government at Harrisburg, on requisition from the heads of departments; (b) all equipment, materials and supplies used outside of Harrisburg, voluntarily requisitioned by the head of any department.

(4) To collect and furnish on request market prices and such other information as will be serviceable in purchasing.

As will be recommended elsewhere in the report, it is assumed that there will be organized in the Department of Public Welfare a committee on standards and purchase, composed of officers of

the institutions. This committee will have the function of recommending to the Public Welfare Commissioner the purchase of such articles and supplies centrally as they may consider advisable so to purchase. On their recommendation the Commissioner will request the central purchasing agent or bureau to enter into a contract for such articles and supplies. Except on their initiative he will make no request. Thus the determination of what should be purchased jointly or centrally would remain in the power of the institutions to decide. The central purchasing agent would simply place the contract, and would not order the shipment.

The order for shipment, under the contract, would be placed by each institution as the goods are needed. All purchasing for institutions other than that ordered through the central purchasing committee would be done by each institution, subject to certain supervision to be outlined in a subsequent section of this report. The Bureau of Standards and Purchase, it will be noted, is authorized and directed to secure market information that would be of service to institutions and other departments.

Though the above-described organization for purchasing has not been created by law in any state, nevertheless it is quite parallel to the condition actually existing in New York State under a law empowering a central purchasing agent to purchase all things for institutions. The central purchasing agent though having the power to purchase all things needed by the institutions has not exercised that power, but has allowed the institutions to continue to purchase. As a result the institutions are not being hampered, and the purchasing apparently is being done to the satisfaction of all the institutions.

It is the belief of the writer that the system suggested for Pennsylvania would have all the advantages which a central purchasing bureau would be supposed to have. At the same time, the requirement that the purchasing of any article centrally shall be subject to the request of a committee composed of officers of the institution will protect the institutions. This committee will not recommend that any supply be purchased centrally that can be purchased advantageously by the individual institution. The institutions, on the other hand, having been left the power to purchase, will have the very great advantage of being able to apply to the central purchasing agent for market information. This

will enable the institutions to have at hand accurate information before entering into contracts.

To give more complete information of the purchases made by institutions it is recommended that the Public Welfare Commissioner require monthly of each institution a report setting forth in detail all articles purchased, with unit prices, and the names of the firms from which they were purchased. These purchases, with unit prices, would then be summarized and consolidated with like information from other institutions, and sent to all institutions, thus informing each as to the purchasing results of all other institutions.

The Public Welfare Commissioner needs no fuller power of control than to collect and distribute such information. The fact that all institutions know what each institution is doing is sufficiently regulatory, and it is a method which produces good results. This method has been used for many years in Massachusetts.

School for Stewards.—Inasmuch as the checking of deliveries against the specifications of the contract is one of the most important elements of buying, it is highly important that the receiving agents at the institutions should be fully informed as to the character of supplies they are expecting to receive. The writer has visited a great many institutions in different states. One of the chief administrative defects noted in institutions generally is the lack of the kind of knowledge on the part of the steward or storekeeper referred to above. And this is quite natural and understandable. There is no place where these men can be trained. They must secure their knowledge through the actual performance of duties, and it is difficult indeed to secure the information needed to pass on the great variety of things required by an institution.

It would be highly advisable if the Public Welfare Department could conduct a school for the stewards and storekeepers of institutions. This school would be designed to teach these men by visual demonstration the things that may happen to food and other supplies which reduces them to grades below the standard, and it would inform them of general market and trade customs. The instructors in this school could be experts from various wholesale houses, whose services could be secured during the few days that the institutions' agents would be gathered together for

instruction. It would cost the state very little to carry on such a school, and it probably would result in great financial saving.

XIII.

Control of Food Waste.

As shown in the body of the report, there are marked differences in the per capita quantities of food used by the different institutions, even those caring for the same classes of patients. There may be good ground for differences in the quantities of particular articles of food furnished to inmates or patients in different institutions, but there is no reasonable ground for the total quantity of food being materially different in one institution than another. The total quantity required for children, of course, will be less than that required for adults. The quantity required for inmates in insane hospitals will be less in the aggregate than in tuberculosis hospitals, where the quantity is expected to be relatively large, inasmuch as feeding is a therapeutic measure in these hospitals. But institutions caring for the same class of patients or inmates have no reasonable ground for greatly differing in the aggregate quantity of food used.

No extended scientific experiments have been made to determine how much food the various classes of patients require for health. Many practical demonstrations have been made, however, and the figures taken from actual operating experience are of distinct value.

Judging by records of institutions in Massachusetts, New York, and Indiana, insane, feeble-minded or epileptic patients are adequately fed if they receive on an average 3.5 pounds of food per capita per day exclusive of fresh fruit and fresh vegetables. This quantity is sufficiently large to permit careless handling of food which may result from untrained or inexperienced employees. Where the waste is reduced to a minimum by a waste control system, the food issued to patients of the classes indicated above can with safety be reduced to 3.4 pounds per capita per day. When this figure is exceeded, careful inquiry should be made by the superintendent to determine the reason for the excess. Judging by records made by some very well operated institutions, it seems probable that 3.25 pounds of food per capita per day is sufficient

to produce a sustaining diet. It is probable, however, that this more limited quantity would not enable an institution to provide as great a variety as desirable.

Even prisons and reformatories, where the inmates are practically all able-bodied men and women, can be fed on 3.5 pounds of food per capita per day. In these institutions milk will be largely supplanted by its equivalent in weight of flour, potatoes and meat.

To reduce the food consumed in the institutions to the standard above indicated requires careful supervision of the use of food. A superintendent cannot adequately regulate the waste of food by an inspection or weighing of garbage cans. Such method simply gives information as to the gross waste, without informing the superintendent as to the composition of such waste. To know whether any particular article of food has been served in sufficient or too great a quantity, there must be a method adopted which will inform the superintendent as to the quantity of waste of that particular article of food, in the serving room and as it comes from the table.

A system designed to accomplish this purpose has been in operation in some of the institutions in New York State, Massachusetts, Illinois and Indiana, all of the governmental institutions in Canada, and in at least one of the institutions in Pennsylvania, for several years. One of the institutions in New York State, on the introduction of this waste control system, reduced its annual per capita waste from 85 pounds to 17 pounds, representing at that time a saving of \$5.44 per capita per year. The experience in connection with this one institution is the usual experience where a waste system is introduced and carefully operated. A description of the waste system referred to, with its method of operation, appears in the report of the writer entitled "Inquiry Into Hospitals and Homes of New York City," 1913. It is probable that copies of this report are not available. However, a description of this method of operation can be secured from the superintendent of the Homeopathic State Hospital, Allentown, Pennsylvania.

The average per capita consumption of food in the institutions of Pennsylvania taken as a whole is about 1,544 pounds. This exceeds a normal standard by nearly 300 pounds. If a waste system be introduced in all of the institutions of the state and care-

fully operated, there should be saved by its operation annually on an average at least 150 pounds of food per capita. The saving in some institutions would be more than this. In others, there would be comparatively little saving. In one or two institutions there seems to be too little fed at the present time, but in one institution of the state there seems to be nearly twice the quantity of food used that should be used.

A saving of 150 pounds per capita would aggregate for the state fully 4,500,000 pounds of food annually. The average cost of food per pound at the present time is about .06. Assuming the average unit cost of the food thus saved to be .05, the gross saving to the state by the operation of a waste control system would be not less than \$225,000 annually.

XIV.

Collection for Maintenance From Those Able to Pay.

At the present time the Attorney-General's office operates a bureau the function of which is to collect for the care of patients in hospitals for the insane. He collects from the individual, his estate or from relatives. This bureau maintains six agents in the field. The function of these agents is to examine the records of all admissions to state hospitals, to secure clues as to the ability of the patient, or of his relatives, to pay. Having found some clue this agent then proceeds to the former residence of the patient and makes inquiry with regard to his supposed ability to pay. If the facts warrant, action may be brought by the Attorney-General to collect.

This bureau has been very successful in its collections, and it not only pays for its own support, but largely pays the operating cost for the whole department of the Attorney-General. It is a service well worth performing.

A casual examination of the work and processes leads one to believe that the processes might be simplified to a certain extent, thereby making it possible with the same expenditure for salaries and traveling expenses, to collect from more patients or to reduce the number of agents in the field. It would seem feasible for the Auditor-General's office to formulate a questionnaire containing questions to be answered by county commissioners, court officers, friends and relatives, and officers of the institution which, when

answered, would give all of the information which the agent from the Auditor-General's office is now able to obtain by going to the institution and looking over the list of admissions. If these questionnaires, covering each patient admitted, were made out in duplicate and one copy sent to the Department of Public Welfare, they could be studied carefully and all those cases which indicated an ability to pay on the part of the estate or of the relatives of the patient, could then be transmitted to the Auditor-General's office as a basis for further inquiry.

This procedure would enable the field agents to devote their entire time to collecting evidence with regard to cases in which there was some distinct promise.

The questionnaire, moreover, would furnish information to the Department of Public Welfare which it now finds necessary to gather from other sources.

Such a procedure would seem to warrant further inquiry on the part of the Attorney-General's office.

XV.

Cash Payments for Supplies.

Owing to the condition of finances in Pennsylvania it has been impossible for the Auditor-General to advance money to institutions which would enable them to pay their bills in time to avail themselves of cash discounts. The result of this is threefold: (1) The state actually loses the amount of the cash discount. (2) It discourages the more responsible firms from bidding. (3) It offers a temptation to the vendor to somewhat repay himself for his long wait for payment by delivering goods of lower quality than those contracted for. There has been no estimate of the amount of money thus lost by the state in connection with all of its purchases.

It seemed advisable to attempt to arrive at some estimate of the loss to the state in the purchase of supplies for institutions owing to its inability to pay cash. Accordingly a letter was sent to each of the institutions asking them to look over all the bills for the last year and compute the loss due to their inability to pay cash, and also to give an estimate of such other losses as might be due to delayed payments. Some institutions have a cash reserve on hand, which they use for cash payment of bills. At some other

smaller institutions the trustees have borrowed money on their own responsibility in order to pay cash. Most of the institutions, however, have postponed payment until money was received from the treasurer. In not a few instances payments have been postponed for over nine months after the receipt of the goods. A delay of three months is usual.

With the replies of the institutions at hand it is impossible to give an estimate of the loss to the state with any great accuracy. The reported losses directly traceable to the inability of the institutions to pay cash as reported by fourteen institutions was in the aggregate \$36,060. Many institutions did not report. Inasmuch as there are 38 state and semi-state institutions, it seems fair to estimate that the total direct loss of the state due to delay in paying bills is not less than \$95,000 annually.

It is highly probable that the incidental losses, that is, the loss due to the fact that the better grade of vendors will frequently not sell to the institutions, and the loss due to the delivery of inferior supplies to the institutions, would be greater than the loss indicated by the computation of the discount.

Owing to the fact that the State of Pennsylvania cannot borrow money in anticipation of incoming taxes, it may be impossible to devise a means whereby funds can be supplied to the institutions in time to permit them to avail themselves of cash discounts. If means could be found, however, the state would greatly gain by such advance payments.

XVI.

Need for Better Regulation of State Institutions.

Quantities of Food Used by Institutions.—The state institutions of Pennsylvania are subject to no central regulation except that of inspection and standardization of bookkeeping and reports, exercised by the Public Welfare Department. Each institution is almost a law unto itself. For instance, no information as to unit prices paid for supplies could be secured from one institution owing to the fact that one member of the Board of Trustees required the Superintendent to send to him all bills. These bills he paid and kept, and there was no record at the institution showing from whom purchases were made or the prices paid. It is almost unbelievable that an institution would be run

in this manner, and yet this is the situation existing in one institution in the State of Pennsylvania.

In another instance a trustee shipped to the institution of which he is trustee a carload of steers. The institution is so small it could not use these rapidly. As a result it still has on hand—pasturing in the summer and feeding in the barns in the winter—some of the steers purchased two years ago. These, when butchered, will be rather expensive meat for the institution.

It is deemed advisable in this inquiry to find out, so far as possible, to what extent the small degree of central regulation is affecting the standards of the institutions. As a partial test it was decided to ascertain the amounts of each article of food used by the various institutions. There is no reason why institutions caring for the same class of inmates should materially differ in the gross amount of food fed to their inmates. A decided difference in the amounts fed in different institutions would clearly indicate that no agreed upon or recognized standard was being followed in the feeding.

Quantity, quality and variety of food in public institutions are jointly an exceedingly important problem, both from the standpoint of economy and of the health of the inmates. Too little food, or food of poor quality, or in limited variety results in diminishing strength. Too much food results in excessive cost, unnecessary waste, and bodies poisoned from over-feeding.

If superintendents through their own initiative do not arrive at some common understanding of food requirements, then some central regulatory measures are needed.

Not only is the gross amount of food an index of the type of supervision and management given by a superintendent but the proportions of the different articles of food used are always significant. It is the duty of superintendents and supervising officers to select the foods that not only give proper proportions of nutriment but that can also be purchased at approximately the least expenditure. A variety which might be economical under one market condition might prove expensive under others.

To discover what has actually happened in the institutions of Pennsylvania with regard to the feeding a request was made of each institution to furnish the quantities of foods used, and listed

as purchased or produced, and classified according to the following headings:

Articles of Food Used in Pennsylvania Institutions.

Wheat products.....
Corn meal and hominy.....
Oats, rolled and meal.....
Rice.....
Beans and peas, dried.....
Potatoes.....
Butter and butterine.....
Cheese.....
Sugar.....
Molasses and syrup.....
Beef and veal.....
Mutton.....
Pork.....
Corned beef.....
Bacon.....
Salt pork.....
Ham and shoulder.....
Lard.....
Fish, fresh.....
Fish, salt.....
Poultry.....
Dried fruits.....
Canned vegetables.....
Canned fruits.....
Coffee.....
Tea.....
Eggs.....
Milk.....

In this grouping the foods of similar protein and calory values are brought together, thus rendering it comparatively easy to determine whether the inmates have been furnished a sufficient or insufficient amount of food and whether in healthful varieties.

The figures inserted in the tables which follow are furnished by the institutions themselves, and are probably approximately correct.

These tables do not record fresh fruit and fresh vegetables, owing to the fact that some institutions are not careful to record all fruit and vegetables used from gardens, and some institutions have no farms or gardens, thus having to purchase all the food they eat. Moreover, fresh fruit and vegetables represent a comparatively small proportion of the total foods used during the year, and the comparison between institutions would not be materially affected by the omission of these items. Moreover, tables of the same form, and having the same subdivisions, were used in collecting data from institutions in the States of New York, Indiana and Iowa, and those records are serviceable as a basis of comparison. In these tables all food is recorded in terms of pounds. This is necessary in order to arrive at a common denominator. For instance, milk is expressed in pounds rather than quarts or gallons. Likewise the quantity of canned vegetables and canned fruit.

Food Used in Hospitals for the Insane.—By reference to these tables it will be noted that the hospitals for the insane varied in the per capita consumption from 999 pounds per capita per year for the hospital for the criminal insane at Farview and 1,062 pounds for the chronic insane at Wernersville to a maximum of 1,605 pounds per capita for the State Hospital at Warren. The one article of food on which there is the greatest variation is milk. In Wernersville 291 pounds of milk per capita per year were used, whereas in Warren the per capita consumption per year was 881 pounds, at Harrisburg 400 pounds, and at Allentown 704 pounds. A comparison of Allentown and Danville is of interest, since their total per capita use of food was approximately the same, namely, 1,334 pounds per capita per year for Allentown as against 1,364 pounds per capita per year for Danville. Allentown, however, used 704 pounds of milk as against 568 pounds for Danville. But Danville used 206 pounds of potatoes as against 103 pounds for Allentown. Again, Danville used 275 pounds of flour per capita as against 198 pounds used by Allentown. In other words, Danville substituted potatoes and bread and some additional meat for the larger quantity of milk used by Allentown.

The difference in the proportions of foods used in the different institutions accounts for a difference in the per capita cost of all foods. For Danville the per capita cost was \$70.72, and for Allen-

town it was \$76.95, a difference of \$6.23 per capita. This additional cost per capita at Allentown probably represents better feeding at that institution, but there is this difference which should be noted. If the Danville dietary were as good as that of Allentown, then it would mean that Allentown is paying about \$7,500 more for feeding its patients than is necessary. It is probable, however, that the additional amount of milk used in its dietary produces a better feeding.

Another difference in the dietaries of the hospitals for the insane is noted in the quantity of eggs used. At Wernersville the per capita consumption per year is 6.81 pounds, whereas in Danville it is 19.57. In the Hospital for the Criminal Insane at Farview it is 18.72, and in the State Hospital at Harrisburg it is 10.87. These marked differences in the per capita consumption of like articles of food is noted throughout the dietaries. There seems to be no general agreement or understanding as to the most advisable proportions of the different foods to serve to the insane patients, considering relative costs.

The Food Used in Other Institutions.—All the food used by two institutions for the feeble-minded, namely, the institution at Polk and the institution at Spring City, is represented in these tables. Polk used, per capita per year, 1,349 pounds; Spring City used 1,345 pounds. Though these two institutions used about the same aggregate per capita quantity of food, yet there were marked differences in the quantities of the various foods. For instance, Polk used 238 pounds per capita of potatoes, while Spring City used 274 pounds. Polk used 253 pounds of flour as against 326 pounds used by Spring City. Polk used 627 pounds of milk per capita, as against 507 pounds used by Spring City.

Two penitentiaries were compared, the Western, at Pittsburgh, and the Eastern, at Philadelphia. The Western used 1,887 pounds per capita, as against 1,623 pounds by the Eastern. These were the chief differences: The Western used 331 pounds of milk, as against 129 for the Eastern; it also used 866 pounds of potatoes, as against 494 pounds used by the Eastern. The most noteworthy difference, however, was in the use of meat. The Western Penitentiary used but 198 pounds of meat per capita as against 320 pounds by the Eastern. Thus the Eastern Penitentiary used nearly a pound of meat per person per day, whereas the Western

used but a little over half a pound per person per day. The per capita cost of feeding was \$67.85 at the Western, and \$73.22 at the Eastern. Though the Eastern paid somewhat more per capita for food than the Western, nevertheless it probably managed feeding somewhat better than did the Western, inasmuch as the Western Penitentiary has a large farm on which it produces \$36,680 worth of food represented in these calculations, or \$21 per capita.

The feeding at the Glen Mills School costs about the same for boys as for girls, namely, \$73.93 per capita for boys, as against \$79.30 for girls. The two groups used about the same amount per capita, *viz.*, 1,436 for boys and 1,476 for girls; thus the girls ate slightly more than the boys. The proportions of the different foods that make up these totals, however, are somewhat different for the two groups.

The feeble-minded women at Laurelton were furnished 1,478 pounds of food per capita, whereas the inmates at Morganza were fed 1,184 pounds. Although the former institution furnished 300 pounds per capita more than did the latter institution, nevertheless its cost per capita was about the same, namely, \$61.12 at Morganza as against \$62.07 at Laurelton. This is accounted for by the marked differences in the amounts of the various items of food that make up the total amount of food.

A small institution proportionately is always more expensive to operate than a large one; the per capita food costs particularly are greater. But the excessive amount of food used in Muncy, an institution for delinquent women, is worthy of note. That institution used 1,953 pounds of food per capita, costing \$100.72.

Of this large amount, however, there were 1,119 pounds of milk. This is the largest per capita consumption of milk noted in any institution examined by the writer except for tubercular cases. It seems evident that either too much milk is produced at that place or a portion should be converted into butter, or else, if the larger proportion of milk be used, a lesser amount of certain other foods should be purchased. In other words, both the quantity of food and the per capita cost are excessive at that institution.

The amount of food furnished to the deaf and dumb at Edgewood, and also at Mt. Airy, is unusually low. At Edgewood 876 pounds per capita were used, and 839 at Mt. Airy. The Edgewood institution gave these people but 158 pounds of milk per year,

which is approximately 55 quarts for a whole year. This is an unusually small amount of milk for an institution. However, the amount of meat furnished was very small—but 64 pounds per capita at Edgewood. This is about three ounces of meat per day per capita.

Foods in Medical and Surgical Hospitals.—There are ten Medical and Surgical Hospitals operated by the state. These varied in their per capita feeding from 835 pounds per capita per year at Coaldale, costing \$87, to 1,638 pounds at Scranton, costing \$130. The remaining hospitals reporting, namely, Ashland, Philipsburg, Hazleton and Nanticoke, each used approximately 1,250 pounds per capita. The costs ranged from \$102 per capita at Nanticoke to \$127 per capita at Hazleton. The difference in the per capita cost of food is largely accounted for by the difference in the proportions of foods furnished. For instance, at Hazleton 174 pounds of meat per capita were used as against 85 pounds at Nanticoke. Nanticoke made up for this meat in other forms of food, namely, it used 230 pounds of potatoes as against 97 pounds at Hazleton.

Foods in Tuberculosis Hospitals.—There are three Tuberculosis Hospitals operated by the Department of Health. The consumption of food in these three hospitals has a wide range of difference. In Cresson the total per capita consumption of food was 1,722 pounds, in Hamburg, 2,279 pounds, in Mt. Alto 3,211 pounds. In this latter hospital the amount issued is at the rate of nearly 9 pounds of food per capita per day. This institution used 2,044 pounds of milk per capita per year or at the rate of about two quarts per capita per day, whereas Cresson used but 873 pounds per capita per year and Hamburg 1,400 pounds. Mt. Alto did not cut down the amount of meat because of its excessive use of milk, on the contrary it used 322 pounds of meat per capita per year as against 200 pounds for Cresson and 244 pounds for Hamburg. Again this institution did not reduce the quantity of eggs fed because there was an excessive amount of milk used. Each individual on an average consumed 85 pounds of eggs per year, as against 75 pounds for Hamburg and 32.5 pounds for Cresson. In short the greatest irregularity of feeding in the state institutions is in the institutions which are centrally controlled. All other

institutions except these Tuberculosis Hospitals are managed by separate boards and have practically no central supervision.

Food Consumption in Institutions of Other States.—A comparison of the per capita consumption of food in some other states with the per capita consumption in the institutions in Pennsylvania is of interest. As taken from the tables in the writer's report on "*Fiscal Control of State Institutions*" the average yearly per capita consumption for the hospitals for the insane in New York State was 1,247 pounds; for a like group in Indiana it was 1,238 pounds; and for a similar group in Iowa it was 1,252 pounds. At Elmira, New York, a reformatory for men, the consumption was 1,282 pounds. At a similar reformatory in Indiana the consumption was 1,162 pounds. At the State Prison at Michigan City, Indiana, the consumption was 1,149 pounds.

The Institution for the Feeble-minded at Rome, New York, consumed 1,165 pounds of food per person per year. At the Institution for the Feeble-minded at Fort Wayne, Indiana, the consumption was 889 pounds per capita. At a like institution at Glenwood, Iowa, the consumption per capita was 1,424 pounds.

The average consumption per capita for acute insane in Pennsylvania is 1,371 pounds, somewhat over one hundred pounds in excess of the average in New York, Indiana and Iowa. The average for the feeble-minded was 1,347 in Pennsylvania, exceeding the consumption for New York and Indiana more than one hundred pounds. The average for its prisons in Pennsylvania was 1,755 pounds per capita as compared with an average for the three states, New York, Indiana and Iowa, of 1,201 pounds.

It will thus be noted that the average consumption of food in the institutions of Pennsylvania is somewhat higher than that in the other states indicated.

Recapitulation of Per Capita Food Consumption for the Year 1921.

Hospitals for the Insane:

Wernersville.....	1,062	lbs.
Warren.....	1,605	"
Danville.....	1,364	"
Allentown.....	1,334	"
Harrisburg.....	1,225	"
Torrence.....	1,329	"
Farview.....	999	"

Average.....	1,273	lbs.

Institutions for Feeble-Minded:

Polk.....	1,349	lbs.
Spring City.....	1,345	"

Average.....	1,347	lbs.

Tuberculosis Hospitals:

Cresson.....	1,722	lbs.
Hamburg.....	2,279	"
Mt. Alto.....	3,211	"

Average.....	2,404	lbs.

Prisons:

Western Penitentiary.....	1,887	lbs.
Eastern Penitentiary.....	1,623	"

Average.....	1,755	lbs.

Miscellaneous Group:

Muncy.....	1,953	lbs.
(Boys) Glen Mills.....	1,298	"
(Girls) Glen Mills.....	1,496	"
Laurelton.....	1,478	"
Morganza.....	1,184	"
Erie.....	1,648	"
Mt. Airy.....	839	"
Edgewood.....	876	"
Overbrook.....	1,114	"
Huntingdon.....	1,213	"
Deaf Children, Phila.....	1,144	"

Average.....	1,294	lbs.

Medical and Surgical Hospitals:

Connellsville.....	1,052	lbs.
Scranton.....	1,638	"
Coaldale.....	835	"
Nanticoke.....	1,109	"
Ashland.....	1,223	"
Hazleton.....	1,260	"
Philipsburg.....	1,258	"

Average.....	1,196	lbs.

Average for all Institutions 1,544
lbs.

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE ASYLUM FOR THE CHRONIC INSANE, WERNERSVILLE, PA.

YEAR 1921

AVERAGE POPULATION 1,092

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL FOR INSANE, WARREN, PA

YEAR 1921

AVERAGE POPULATION 1,888

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—HOMEOPATHIC STATE HOSPITAL FOR INSANE, ALLENSTOWN, PA.

YEAR 1921

AVERAGE POPULATION 1,414

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—HARRISBURG STATE HOSPITAL FOR INSANE, HARRISBURG, PA.

YEAR 1921

AVERAGE POPULATION 1,434

**FOODS PURCHASED AND PRODUCED
INSTITUTIONS IN PENNSYLVANIA.**

INSTITUTION—WESTERN STATE HOSPITAL FOR INSANE, TORRANCE, PA.

YEAR 1921

AVERAGE POPULATION 182

ARTICLE	Purchased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products...	29,143	\$4,520			29,143	\$4,520	160.13	\$24.835
Corn meal, hominy...	1,000	28			1,000	28	5.49	.154
Oats, rolled & meal...	6,630	248			6,630	248	36.43	1.363
Rice...	1,600	59			1,600	59	8.79	.324
Beans & peas, dried...	2,504	147			2,504	147	13.76	.808
Potatoes...			42,000	\$957	42,000	957	230.77	5.258
Butter...	3,092	1,390			3,092	1,390	16.99	7.636
Cheese...	1,044	226			1,044	226	5.74	1.242
Sugar...	2,920	251			2,920	251	16.04	1.379
Molasses & syrup...	1,281	70			1,281	70	7.04	.385
Beef & veal...	17,105	1,591	10,795	1,539	27,900	3,130	153.30	17.197
Mutton...								
Pork...			3,600	576	3,600	576	19.78	3.164
Bacon...	831	218			831	218	4.56	1.198
Salt pork...								
Ham & shoulder...	771	204			771	204	4.24	1.120
Lard...	260	48			260	48	1.42	.263
Fresh fish...								
Salt fish...	1,520	177			1,520	177	8.35	.972
Poultry...	231	58	883	276	1,114	334	6.12	1.835
Dried fruit...	975	155			975	155	5.36	.851
Canned vegetables...	2,592	216			2,592	216	14.24	1.187
Canned fruits...	1,296	120			1,296	120	7.12	.659
Coffee...	3,450	558			3,450	558	18.96	3.066
Tea...	347	85			347	85	1.91	.467
Eggs...	4,275	1,295	1,797	497	6,072	1,792	33.36	9.846
Milk...	16,530	*570	85,393	2,206	101,923	2,776	560.02	15.252
Totals...	99,397	\$12,234	144,468	\$6,051	243,865	\$18,285	1,339.92	100.461

Daily per capita consumption in pounds..... 3.67

Daily per capita cost..... .275

Average cost of food per pound \$.075.

*Estimated 10 cents per quart.

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL FOR CRIMINAL INSANE,
FARVIEW (WAYMART P. O.), WAYNE CO., PA.

YEAR 1921

AVERAGE POPULATION 625

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—WESTERN STATE PENITENTIARY, PITTSBURGH (SAME AS ROCKVIEW), PA.

YEAR 1921

AVERAGE POPULATION 1,729

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—EASTERN STATE PENITENTIARY, PHILADELPHIA, PA.

YEAR 1921

AVERAGE POPULATION 1,592

ARTICLE	Pur. chased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products...	719,908	\$26,330	...				452.00	\$16.531
Corn meal, hominy.	10,500	216	...				6.59	.135
Oats, rolled & meal.	18,450	598	...				11.58	.375
Rice.....	27,279	1,182	...				17.12	.743
Beans & peas, dried	83,363	4,098	...				52.34	2.573
Potatoes.....	787,970	14,998	...				494.74	9.415
Butter.....	1,620	749	...				1.02	.471
Cheese.....	526	127	...				.34	.079
Sugar.....	94,867	6,278	...				59.56	3.942
Molasses & syrup.....	49,362	945	...				30.99	.594
Beef & veal.....	383,769	31,951	...				240.96	20.061
Mutton.....	47,392	4,399	...				29.75	2.762
Pork.....	2,487	366	...				1.57	.229
Bacon.....	2,095	449	...				1.31	.282
Salt pork.....	59,172	6,682	...				37.15	4.196
Ham & shoulder.....	3,209	872	...				2.01	.548
Lard.....	13,025	1,397	...				8.18	.878
Fresh fish.....			...					
Salt fish.....			...					
Poultry.....			...					
Dried fruit.....	31,450	2,797	...				19.75	1.757
Canned vegetables.....	8,460	516	...				5.31	.324
Canned fruits.....			...					
Coffee.....	18,400	1,986	...				11.56	1.247
Tea.....	3,357	372	...				2.10	.234
Eggs.....	12,330	3,193	...				7.75	2.004
Milk.....	206,166	6,117	...				129.44	3.840
Totals.....	2,585,158	116,618	...				1,623.12	\$73.220
Daily per capita consumption in pounds.....							4.45	
Daily per capita cost.....								.20
Average cost of food per pound	\$.045.							

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, CONNELLSVILLE, PA.

YEAR 1921

AVERAGE POPULATION 39

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, SCRANTON, PA.

YEAR 1921

AVERAGE POPULATION 274

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, COALDALE, PA.

YEAR 1921

AVERAGE POPULATION 89

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL OF NANTICOKE, NANTICOKE, PA.

YEAR 1921

AVERAGE POPULATION 134

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, ASHLAND, PA.

YEAR 1921

AVERAGE POPULATION 413

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, HAZLETON, PA.

YEAR 1921

AVERAGE POPULATION 190

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE HOSPITAL, PHILIPSBURG, PA.

YEAR 1921

AVERAGE POPULATION 59

ARTICLE	Pur-chased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products....	12,368	\$1,158	.....	.....	12,368	\$1,158	209.63	\$19.627
Corn meal, hominy.	760	78	.....	.....	760	78	12.88	1.322
Oats, rolled & meal.	760	76	.....	.....	760	76	12.88	1.288
Rice.....	250	18	.....	.....	250	18	4.24	.305
Beans & peas, dried	200	20	.....	.....	200	20	3.39	.338
Potatoes.....	14,000	438	448	\$16	14,448	454	244.88	7.694
Butter.....	840	378	.....	.....	840	378	14.24	6.406
Cheese.....	3,400	221	.....	.....	3,400	221	57.63	3.746
Sugar.....	141	9	.....	.....	141	9	2.38	.152
Molasses & syrup..	3,000	750	.....	.....	3,000	750	50.85	12.711
Beef & veal.....	400	160	.....	.....	400	160	6.78	2.711
Mutton.....	1,500	450	140	42	1,640	492	27.61	8.338
Pork.....	300	129	16	6	316	135	5.36	2.288
Bacon.....	.....	.....	.....	.....	.....	.....	.....	.....
Salt pork.....	820	287	90	32	910	319	15.42	5.406
Ham & shoulder....	320	57	30	5	350	62	5.93	1.050
Lard.....	.....	.....	.....	.....	.....	.....	.....	.....
Fresh fish.....	384	96	.....	.....	384	96	6.51	1.627
Salt fish.....	288	115	.....	.....	288	115	4.88	1.949
Poultry.....	500	70	.....	.....	500	70	8.47	1.186
Dried fruit.....	.....	.....	.....	.....	.....	.....	.....	.....
Canned vegetables.	3,120	202	.....	.....	3,120	202	52.88	3.423
Canned fruit.....	180	60	.....	.....	180	60	3.05	1.016
Coffee.....	560	213	.....	.....	560	213	9.49	3.610
Tea.....	200	90	.....	.....	200	90	3.39	1.525
Eggs.....	450	114	.....	.....	450	114	7.63	1.932
Milk.....	28,768	1,190	.....	.....	28,768	1,190	487.59	20.169
Totals.....	73,509	\$6,379	724	\$101	74,233	\$6,480	1,257.99	109.819

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE INSTITUTION FOR FEEBLE-MINDED OF WESTERN PENNSYLVANIA, POLK, PA

YEAR 1921

AVERAGE POPULATION 2,317

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE INSTITUTION FOR FEEBLE-MINDED, SPRING CITY, PA.

YEAR 1921

AVERAGE POPULATION 1,325

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—TUBERCULOSIS SANATORIUM No. 2, CRESSON, PA.

YEAR 1921

AVERAGE POPULATION 803

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—TUBERCULOSIS SANATORIUM NO. 1—MONT ALTO, FRANKLIN CO., PA.

YEAR 1921

AVERAGE POPULATION 676

Daily per capita consumption in pounds

Daily per capita cost 52

Average cost of food per pound \$.059.

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—STATE INDUSTRIAL HOME FOR WOMEN, MUNCY, PA.

YEAR 1921-1922

AVERAGE POPULATION 79

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—GLEN MILLS SCHOOL, BOYS' DEPT., GLEN MILLS, PA.

YEAR 1921

AVERAGE POPULATION 700

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—GLEN MILLS SCHOOL, GIRLS' DEPT., DARLING P. O., DEL. CO., PA.

YEAR 1921

AVERAGE POPULATION 547

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—PENNSYLVANIA VILLAGE, LAURELTON, PA.

YEAR 1921

AVERAGE POPULATION 131

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—PENNSYLVANIA TRAINING SCHOOL, MORGANZA, PA.

YEAR 1921

AVERAGE POPULATION 762

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—PENNSYLVANIA SOLDIERS AND SAILORS HOME, ERIE, PA
YEAR 1921 AVERAGE POPULATION 208

ARTICLE	Purchased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products...	29,792	\$1,148	.....		29,792	\$1,148	143.23	\$5.519
Corn meal, hominy...	3,258	294	.....		3,258	294	15.66	1.413
Oats, rolled & meal...	1,820	65	.....		1,820	65	8.75	.312
Rice...	1,400	81	.....		1,400	81	6.73	.389
Beans & peas, dried...	1,861	122	.....		1,861	122	8.94	.586
Potatoes...	52,500	1,010	.....		52,500	1,010	252.40	4.855
Butter...	6,120	1,509	.....		6,120	1,509	29.42	7.254
Cheese...	522	140	.....		522	140	2.51	.668
Sugar...	15,049	1,113	.....		15,049	1,113	72.35	5.350
Molasses & syrup...	611	16	.....		611	16	2.94	.076
Beef & veal...	18,458	2,629	425	\$50	18,883	2,679	90.78	12.879
Mutton...	2,076	257	.....		2,076	257	9.98	1.235
Pork...	.....	.....	2,870	402	2,870	402	13.79	1.932
Bacon...	1,250	233	338	68	1,588	301	7.64	1.447
Salt Pork...	.....	.....	.....	.....	.....	.....	.....	.....
Ham & shoulder...	3,805	888	.....		3,805	888	18.29	4.269
Lard...	1,386	173	846	127	2,232	300	10.74	1.442
Fresh fish...	4,248	575	.....		4,248	575	20.42	2.764
Salt fish...	1,294	131	.....		1,294	131	6.23	.629
Poultry...	102	66	116	29	218	95	1.04	.456
Dried fruit...	1,242	273	.....		1,242	273	5.98	1.312
Canned vegetables...	8,592	679	.....		8,592	679	41.30	3.264
Canned fruits...	8,136	1,105	.....		8,136	1,105	39.12	5.312
Coffee...	8,694	1,145	.....		8,694	1,145	41.79	5.505
Tea...	80	23	.....		80	23	.39	.110
Eggs...	6,480	1,692	321	71	6,801	1,763	32.69	8.475
Milk...	23,467	741	135,650	3,508	159,117	4,249	764.99	20.427
Totals...	202,243	16,108	140,566	4,255	342,809	20,363	1,648.10	97.880

Daily per capita consumption in pounds..... 4.51
 Daily per capita cost..... .268
 Average cost of food per pound \$.06.

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION--PENNSYLVANIA INSTITUTION FOR DEAF AND DUMB, MT. AIRY, PA.

YEAR 1921

AVERAGE POPULATION 667

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

INSTITUTION—WESTERN PENNSYLVANIA INSTITUTION FOR THE INSTRUCTION OF DEAF AND
DUMB, EDGEWOOD, Pa.

YEAR 1921

AVERAGE POPULATION 317

FOODS PURCHASED AND PRODUCED INSTITUTIONS IN PENNSYLVANIA.

**INSTITUTION—PENNSYLVANIA INSTITUTION FOR THE INSTRUCTION
OF THE BLIND, OVERBROOK, PA.**

YEAR 1921

AVERAGE POPULATION 228

**FOODS PURCHASED AND PRODUCED
INSTITUTIONS IN PENNSYLVANIA.**

INSTITUTION—PENNSYLVANIA INDUSTRIAL REFORMATORY, HUNTINGDON, PA.

YEAR 1921

AVERAGE POPULATION 695

ARTICLE	Pur-chased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products...	293,627	\$11,745	.....	.....	293,627	\$11,745	422.48	\$16.899
Corn meal, hominy.	5,142	154	.....	.....	5,142	154	7.39	.221
Oats, rolled & meal.	7,907	277	.....	.....	7,907	277	11.37	.398
Rice.....	8,389	377	.....	.....	8,389	377	12.07	.542
Beans & peas, dried	39,193	2,351	.....	.....	39,193	2,351	56.39	3.382
Potatoes.....	69,769	1,395	34,220	\$684	103,989	2,079	149.62	2.991
Butter.....	1,430	715	.....	.....	1,430	715	2.05	1.028
Cheese.....	14	2	.....	.....	14	2	.03	.002
Sugar.....	12,560	879	.....	.....	12,560	879	18.08	1.264
Molasses & syrup..	66,200	2,197	.....	.....	66,200	2,197	95.26	3.161
Beef & veal.....	70,671	8,480	.....	.....	70,671	8,480	101.68	12.201
Mutton.....	1,839	202	.....	.....	1,839	202	2.65	.290
Pork.....	.....	.....	36,556	4,387	36,556	4,387	52.59	6.312
Bacon.....	.....	.....	.....	.....	.....	.....	.....	.....
Salt pork.....	4,615	692	.....	.....	4,615	692	6.65	.995
Ham & shoulder.....	.....	.....	4,975	597	4,975	597	7.16	.858
Lard.....	7,107	533	.....	.....	7,107	533	10.23	.766
Fresh fish.....	1,383	330	.....	.....	1,383	330	1.98	.474
Poultry.....	11,892	1,902	.....	.....	11,892	1,902	17.12	2.736
Dried fruit.....	.....	.....	19,380	821	19,380	821	27.88	1.181
Canned vegetables.....	200	21	210	7	410	28	.59	.040
Canned fruits.....	3,514	703	.....	.....	3,514	703	5.06	1.011
Coffee.....	136	35	.....	.....	136	35	.19	.050
Tea.....	552	143	.....	.....	552	143	.79	.205
Milk.....	.....	.....	141,392	2,438	141,392	2,438	203.45	3.507
Totals.....	606,140	\$33,133	236,733	\$8,934	842,873	\$42,067	1,212.76	\$60.514

Daily per capita consumption in pounds..... 3.32.....

Daily per capita cost..... .166.....

Average cost of food per pound \$.05.

**FOODS PURCHASED AND PRODUCED
INSTITUTIONS IN PENNSYLVANIA.**

INSTITUTION—HOME FOR THE TRAINING OF DEAF CHILDREN, PHILADELPHIA, PA.

YEAR 1921

AVERAGE POPULATION 89

ARTICLE	Pur-chased pounds	Cost	Produced pounds	Value	Total used	Total value	Per capita consum.	Per capita cost
Wheat products.....	12,195	\$903	.....	.....	12,195	\$903	137.02	\$10.146
Corn meal, hominy.....	156	36	.....	.....	156	36	1.75	.404
Oats, rolled & meal.....	720	38	.....	.....	720	38	8.09	.426
Rice.....	281	40	.....	.....	281	40	3.16	.461
Beans & peas, dried.....	245	19	.....	.....	245	19	2.75	.213
Potatoes.....	12,040	397	.....	.....	12,040	397	135.28	4.460
Butter.....	1,546	708	.....	.....	1,546	708	17.37	7.955
Cheese.....	71	24	.....	.....	71	24	.80	.270
Sugar.....	2,821	137	.....	.....	2,821	137	31.70	1.539
Molasses & syrup.....	317	28	.....	.....	317	28	3.56	.314
Beef & veal.....	4,333	1,240	.....	.....	4,333	1,240	48.68	13.933
Mutton.....	1,855	509	.....	.....	1,855	509	20.84	5.719
Pork.....	727	202	.....	.....	727	202	8.17	2.270
Bacon.....	150	51	.....	.....	150	51	1.68	.573
Salt pork.....	11	2	.....	.....	11	2	.12	.022
Ham & shoulder.....	603	181	.....	.....	603	181	6.78	2.034
Lard.....	330	39	.....	.....	330	39	3.71	.438
Fresh fish.....	*1,500	226	.....	.....	*1,500	226	16.85	2.539
Salt fish.....	40	11	.....	.....	40	11	.45	.124
Poultry.....	†110	42	.....	.....	†110	42	1.24	.472
Dried fruit.....	188	42	.....	.....	188	42	2.11	.472
Canned vegetables.....	1,272	174	.....	.....	1,272	174	14.29	1.955
Canned fruits.....	548	99	.....	.....	548	99	6.16	1.112
Coffee.....	384	116	.....	.....	384	116	4.31	1.303
Tea.....	63	31	.....	.....	63	31	.70	.348
Eggs.....	902	346	.....	.....	902	346	10.13	3.888
Milk.....	58,429	2,119	.....	.....	58,429	2,119	656.50	23.809
Totals.....	101,837	\$7,760	.....	.....	101,837	\$7,760	1,144.20	\$87.199
Daily per capita consumption in pounds.....							3.13	.....
Daily per capita cost.....								.239
Average cost of food per pound \$.076.								

*Basis of 15c per pound.

†Based on other reports at 38c.

XVII.

Forms of Central Control or Supervision.

Some states have resorted to central control boards of different forms for the purpose of correcting conditions similar to those noted in the foregoing tables. Boards of control or boards of administration exist in a number of states, but such boards have disadvantages as well as advantages. Where institutions are subject to full control by central boards the superintendents are liable to lose initiative, and the standards of the hospital do not advance as rapidly as in states where individual initiative is permitted the superintendents.

It will be recalled that the writer examined the effects of different forms of government regulation of institutions, covering a period of two years, in New York, Indiana and Iowa. It will be further recalled that in Iowa there was a central board of control, in Indiana there was a board of managers for each institution, with no central control, and in New York a form somewhat between these two extremes.

As a result of this detailed examination the writer at that time expressed the following opinion, an opinion which ten years of subsequent administrative experience in connection with institutions had tended to confirm and strengthen. The statement was as follows:

"Under average political conditions, it would seem wise to have some form of central control greater than that exercised in Indiana and less than that in either New York or Iowa. Indiana has secured system and uniformity in the management of her institutions which would be difficult to duplicate in any other state under a board with merely advisory functions. Under ordinary circumstances, it would probably be necessary to secure a portion of the results obtained in Indiana through mandatory powers on the part of a central department. That the individual institutions in Indiana have been able to purchase supplies as cheaply as they have been purchased in Iowa and New York argues that the function of contracting and the regulation of prices could well be left in the hands of the boards of managers and the superintendents of the institutions."

It seems advisable to have some control over the state institutions in Pennsylvania not now legally assigned to the Department of Public Welfare, yet that additional power should not be as great as the power given to boards of control. It should, however, be of such a form and in such a kind as to allow a large range of administrative control to the local boards of managers.

A Budget.—At the present time when the state institutions ask for appropriations for operating expenses their requests are supported by comparatively few details. They state that it cost so much to operate the institution last year, so much for food, so much for clothing, so much for certain other articles. This limited information is not sufficient to guide those authorized to endorse budgets. These institutions should be required to submit to the Public Welfare Commissioner a budget setting forth in detail the quantity of every article they expect to need, with estimated unit and total cost; with a statement of the salary of every employee, and all other items of proposed expenditure. This is not expecting too much of the institutions. It is not more than the superintendent must have in hand to administer his institution properly. He should know exactly how much he expects to use of each article, and if at any particular period more than the proper ratio is being used he should know why. If he has not that detailed knowledge in hand he cannot properly and economically administer his institution. If it is information he needs at hand, it is information which the state, as proprietor of the institution, should expect to have filed, for the same reason that the trustees of a corporation demand of their manager a budget of proposed expenditures.

Such a detailed budget should be filed with the Public Welfare Commissioner, and he, through conference with the Board of Managers and the superintendent of a particular institution, should arrive at an agreement as to the budget for the following biennial.

This agreed-upon budget, then, should be recommended to the Governor by the Public Welfare Commissioner, with all the supporting data. With this supporting data in hand, if the Governor be inclined to reduce an appropriation below the budget figures he will know whether he can safely do so without depriving the institution of some supplies vital to the patients or inmates.

Though the budget be submitted to the Governor with all supporting data, it would be advisable to have it submitted by the Governor to the legislature under but few headings. The following are suggested: (1) Maintenance. (2) New equipment. (3) New buildings. (4) Additional land.

This method of making appropriations would supplant the

former method of making appropriations to the institutions on a per capita per week basis. Appropriations made on the basis of an estimated cost per week has certain shortcomings. In the first place institutions differ greatly in the quantity of farm and garden produce raised. Those producing most would have a distinct advantage over those producing little if each had an appropriation on the same per week basis. When appropriations are made on the basis of a budget, the budget will have taken into account an estimate of the quantity to be produced from the gardens or farms. Again, if an institution is operating on a cost per week basis there is nothing on record, in the form of a budget, to show the multitude of items which in the aggregate are supposed to make up this weekly cost. In the process of operation if the weekly allowance seems to be insufficient it is within the power of the superintendent to make any adjustment which will bring his average cost within the weekly basis established in the appropriation. A wise superintendent will probably make his economies discreetly. An unwise superintendent may make a cut, in a line of supplies, which will be injurious to the inmates.

Where a budget is made out in great detail showing the proposed expenditure of every item and filed with the Commissioner of Public Welfare any modification of the expenditures as registered in the budget will come to the attention of the Commissioner of Welfare. Thus, he may decide as a matter of policy whether it is wise to cut, or whether perchance the estimates have been made so close that it is wiser to create a deficit.

A rate per week for the care of an inmate is rather a blind way of measuring needs. The actual requirement of a patient can be determined very accurately where a large number are considered in an average. Each will need a certain number of pounds of food, so much clothing, some medical attention. These items can be made definite as to quantity, but not definite as to cost. A detailed budget registers the patient's needs in terms of quantities. An appropriation on the basis of a weekly cost simply establishes a cost basis disregarding quantities needed. If the market remains stable the quantities needed probably can be secured within the weekly cost appropriation. If, however, the market rises some adjustment must be made, something must be cut out, or a deficit created. But no institution should be permitted to create a

deficit unless it be authorized or sanctioned before it is actually incurred by some higher officer representing the government. Sanction should not be given unless based on registered needs and actual expenditures; as a basis for this judgment a detailed budget and accurate accounts in terms of that budget are needed.

The legislature would appropriate under the aforementioned headings to each separate institution. It would, however, be advisable to provide for a certain latitude of transfer between the subheadings of the budget for a particular institution and from one institution to another, owing to the fact that it is very difficult to forecast all requirements for a period of two years. The need for this provision of transfer would be very much lessened were the appropriations made year by year, as in many states.

Though appropriating to each institution, if the legislature would grant the Governor power to transfer appropriations from one subheading to another in one institution, or from one institution to another, on the recommendation of the Public Welfare Commissioner, it would provide for contingencies which cannot readily be foreseen. There are several instances where the census of an institution has increased beyond expectation, or, in readjustments inmates have been transferred from one institution to another, thus decreasing the census in the one and increasing it in the other. Or, the appropriation for a building vitally needed by an institution has fallen a little short of the amount needed to complete it, and owing to the fact that the legislature was not in session the building has had to remain for a good part of two years unused, because of insufficient funds. There are many illustrations of this character that could be drawn from the institutions of this state, which would make it seem advisable to provide for some method of readjusting the appropriations made for the biennial period within certain prescribed limits.

The custom of allowing deficits to accrue in the operation of institutions induces laxness. To have these deficits almost without exception, covered by subsequent legislative appropriations gives warrant for the building up of deficits. Every effort should be made to avoid the necessity for deficits. To insure operations without an occasional deficit, some power of transfer of funds during the biennial period is needed.

Regulation of Expenditures from Appropriations.—Some

states, such as New York, Illinois and Iowa, have provided an estimate system which requires that before an institution can make any expenditure from its appropriation it must make an estimate or requisition, to a central regulatory body, of each item it proposes to buy, giving quantity, quality, unit and total cost.

Power is given to the central regulatory body to deny purchase or reduce quantity, modify quality or indicate a unit price at which the article may be purchased. This centralized power is subject to great abuse. These estimates in the central office are, in the main, reviewed by clerks; and these clerks exercise a judgment as to the things needed by the institutions.

The writer examined in considerable detail the effect of the operation of these estimate systems on the institutions, and set forth in his report on "*Fiscal Control of State Institutions*" certain illustrations of the result of such a system in the State of New York. In New York State at that time the charitable institutions were under a Fiscal Supervisor who had the power to revise estimates. The following instances of the action of the department are recorded on pages 70 and 71 of that report as follows:

Shoe Laces.—Under date of October 27th, 1908, Franklin H. Briggs, Superintendent of Industry, wrote the Fiscal Supervisor the following letter:

"I am sending you herewith samples of three shoe laces. In October we asked for the No. 1 Cord 4-4 shoe lace at 38c per gross. The department reduced the price to 31½c as for Metropolitan No. 2, and referred us to H. B. Clafin & Co. The steward sent an order to H. B. Clafin & Co. without ascertaining what the same goods could be bought for in Rochester and he finds that a Rochester firm would have supplied them at 30c.

"The fixing of a price for an entirely different article by the department prevents any sort of competition on the part of dealers. We asked for bids on No. 1 Cord 4-4, we were directed to buy Metropolitan No. 2 upon which nobody had bidden. I respectfully submit that No. 1 cord at 38c per gross is a much more economical shoe string to buy than Metropolitan No. 2 at 30c, and I believe that No. 1 Cord, extra heavy, sample of which is forwarded, at 54c would result in a large saving in the cost of shoe strings if we were allowed to purchase it. This matter was taken up with the department at length some time ago and we were allowed for several months to purchase the No. 1 Cord 4-4 shoe lace."

Under date of April 6th, 1909, William T. Shanahan, Superintendent of Craig Colony, wrote the Fiscal Supervisor a letter of three pages on shoe strings. He complains that the price has been reduced to a limit that will not secure strings of any value, and that, moreover, strings that the institution formerly purchased at 70c, on account of the increase in material, would now cost 90c, and yet they are required to buy strings costing 54c or less per gross. It seems that on April 3rd the department had written to him asking his authority for buying a different length shoe string than was estimated for. In reply to this Dr. Shanahan wrote:

"We did not suppose that it was necessary to get authority from the department to change a part of the order from one size shoe strings to another size as the price paid for the 4-4 shoe strings was for a better grade than was paid for the 5-4 shoe strings. However, in the future when we desire to change the length of shoe strings that we purchase we will endeavor to take it up with the department and procure your authority for this change in length."

Again in May the Superintendent estimated for nine gross of shoe strings at 65c per gross. This was again reduced by the Fiscal Supervisor to 54c per gross with the following note:

"The department has matched the laces the institution formerly purchased and finds H. B. Clafin Co.'s No. 420 equal, if not better."

Craig Colony had used this make of shoe strings under the previous estimate and had found them of very poor quality. Bedford, in October, 1908, estimated for four gross of shoe laces at 42c a gross. The amount was allowed, but the price was cut to 39c. Subsequently this price was twice cut. After another reduction in price of these laces, in the estimate for March, under date of February 24, the superintendent wrote to the Fiscal Supervisor as follows:

"The quality of shoe laces bought at 35c per gross is so poor that if the quality is still further reduced we must put in an estimate for six gross per month. I enclose sample of the shoe laces we are now getting. If some employee of the department will use it in his own shoes for a week, he will be in a position to pass an opinion on the economy of buying at this price."

Crutch Tips.—In February, Syracuse estimated for two dozen solid crutch tips at 75c per dozen. This was reduced by the Fiscal Supervisor to 40c per dozen. The superintendent replied under date of February 25th "that they (the crutches) need a No. 2 solid," with the inference that these would cost more than the amount allowed in the estimate. Under date of March 1st, the Fiscal Supervisor wrote continuing the reduction, stating, "you no doubt will find the price allowed sufficient to buy a suitable kind." On March 11 the Superintendent stated that he was unable to find any tips at 40c that would fit the crutches. Again on March 27th, the Superintendent wrote that he had received no reply to his letter of March 11 and repeated the substance of that letter. On March 29th the Fiscal Supervisor allowed the tips at 42c a dozen with the remark:

"The price is on Whitmore Patent solid No. 1, sometimes called a socket tip. M. G. Stoneman & Son, for firm that will sell hollow tips No. 18 and 19 for 40c per dozen, see revision letter of February 20 for March, page 5."

On April 1st, the superintendent wrote to the Fiscal Supervisor enclosing a letter from M. G. Stoneman & Son stating that the tips on which he bid 42c per dozen were No. 1 and that No. 2 would cost 72c per dozen. The Fiscal Supervisor allowed them at this price—a saving of 3c per dozen over the original estimate. The total saving was 6c on the two dozen. This required a writing of ten letters, using 20c in stamps, besides the cost of stationery, the time of the superintendent, the clerical force and the stenographers at Albany.

The foregoing illustrations are not exceptions. They are the kind of things that inevitably happen when a subordinate force is given the power to regulate in detail the purchases of institutions. In other words, this subordinate force—that knows practically nothing about institutions—under this system is placed in a position superior to that of the superintendent, who usually is a

well-paid, high-grade man. It is obviously impossible for a superintendent to do good work under such embarrassing and harassing conditions. The writer has no hesitancy in condemning the estimate system as applied to the great variety of materials and supplies purchased by institutions. He does feel, however, that there should be certain regulation of the purchasing of the institution by a central authority; and the following method of regulation he believes will sufficiently safeguard the interests and rights of the state and yet at the same time will not hamper the institutions. The recommendation about to be made is based on the assumption that the legislature will make appropriation to each institution under the following heads: (1) Maintenance. (2) New Equipment. (3) New Buildings. (4) Additional Land.

It is recommended that no estimates be submitted by institutions to the Public Welfare Commissioner of purchases proposed to be made out of the maintenance fund, but the Public Welfare Commissioner shall require that each institution make a monthly report setting forth in detail, and in the terms of the budget on file in the Commissioner's Department, every item purchased, with quantity, quality, unit and total cost, and firm from which purchased. The Commissioner will then compare this report with the budget on file for the purpose of ascertaining whether the aggregate purchases up to the given date exceed the proportion of the budget that should have been expended up to that period. If the budget has been exceeded, then the superintendent should be invited to the Commissioner's office for explanation. Moreover, the Commissioner would make a compilation of selected articles, setting forth qualities, quantities, unit prices, and would send a summarized statement, setting forth the purchases of all the institutions, to each institution, thus informing all institutions monthly as to the purchases of each. This method of regulation—not by power or force but by information and suggestion—will secure comparative uniformity in the purchase and use of articles for the various institutions.

It is recommended with regard to the other three headings of the budget, namely, New Equipment, New Buildings, Additional Land, that the institutions be required to submit to the Public Welfare Commissioner an estimate of their proposed expenditures; they to have the power to purchase only on approval

from the Commissioner. This requirement will not hamper the institutions, since new equipment, new buildings, additional land, are seldom emergency requirements but can be and should be foreseen. Moreover these in the main are capital expenditures which should be regulated by the state.

XVIII.

Appointment of Members on the Boards of Trustees of Institutions.—Under existing laws members of the boards of trustees of institutions are appointed by the Governor without recommendation from any other officer of the state. These trustees are generally appointed from the immediate district of the institution, thus tending to perpetuate the idea that the institution is of primary interest to the locality. The institution, however, is in no sense a local institution; it belongs to the state, and may care for patients from any part of the state, even though the major portion of its inmates may come from a prescribed district. It would seem highly advisable to select board members from various sections of the state for the purpose of emphasizing the fact that the institutions are state institutions.

It is difficult for a Governor to secure adequate information with regard to persons who are suitable for membership on the boards of trustees of institutions. He has no organized machinery for the purpose of securing such information. On the other hand, the Public Welfare Commissioner has representatives going throughout the state, and such representatives can readily secure information with regard to the leading citizens who have the public welfare at heart, and who would be willing to serve upon boards of institutions. Inasmuch as to the Public Welfare Commissioner is assigned the function of supervising, regulating and controlling the institutions of the state it would be appropriate if the Governor would make appointments to membership on the boards of the institutions only upon recommendation of that officer.

The Appointment of Superintendents of Institutions.—At the present time the boards of trustees of the various institutions have power to appoint superintendents without reference to any other officer of the state. This system has worked well in many instances. In some instances, however, there is a question as to the appropriateness of the appointments made. To insure

the appointment of a superintendent who would be thoroughly qualified in every way, and would be free from any political leanings, it would seem appropriate and advisable to have the appointment contingent upon the approval of the Public Welfare Commissioner. Under this procedure the initiative and final appointment would lie with the board of trustees, but it would restrict their choice to a man thoroughly qualified for the position. This is the usual procedure in states where institutions have boards of trustees and yet are, to a certain extent, regulated by a central officer or board.

XIX.

Tuberculosis Hospitals to be Supervised and Regulated in the Same Manner as Other State Institutions.—As stated heretofore the State Department of Health now operates three institutions for the care of tuberculosis, one at Hamburg, another at Cresson, and the third at Mt. Alto. These institutions are reasonably well managed. The quantity of food used by each has not been carefully supervised. The purchasing for them is being done efficiently at headquarters, in Harrisburg. From the standpoint of the welfare of the patient there is no reason for a change in the supervision and regulation of these institutions. From the standpoint, however, of the primary work of the Department of Health it would seem advisable to have that department relieved of the burden of operating institutions. Its work is primarily field and preventive work. The operation of institutions is a task quite separate and distinct from the task of carrying on preventive work; and properly supervising and regulating institutions requires a bureau familiar with all the institutional needs and processes. It is expensive to maintain such a bureau for the operation of only three institutions, whereas these three institutions, if placed under the supervision of the Department of Public Welfare, could be supervised by a bureau which it is at present necessary to operate for the regulation of the institutions already under its care.

At the present time the Department of Public Welfare is supervising and regulating ten medical and surgical hospitals. The problem of supervising and regulating tuberculosis hospitals would not be materially different from the problem involved in

the care of the medical and surgical hospitals. Moreover, a Commissioner of Health would have full power to require certain standards of care in these hospitals, though they were supervised by another department.

The Pennsylvania Health Department is the only state health department operating state tuberculosis institutions. In all other states where there are state tuberculosis hospitals they are supervised by some department other than the Health Department. New York State, for instance, operates a tuberculosis hospital at Raybrook, in the Adirondack Mountains. It is not under the State Department of Health but is grouped with the other charitable institutions. This hospital is ranked among the best managed institutions of its kind in the United States. The largest tuberculosis hospital in United States, located in New York City, is operated by the Department of Public Welfare of that city.

If the change in regulation suggested above were made there would be no question, in the opinion of the writer, but that the standard of these tuberculosis hospitals would be fully maintained; and, at the same time, the machinery of supervision would be simplified and the cost to the state for such supervision would be reduced.

If the foregoing change in supervision be made it would be advisable to create for each institution a board of trustees or managers, so that they might be operated in a manner uniform with all other institutions of the state. The members of these boards could properly be recommended to the Governor by the Commissioner of Health.

The general powers of the Health Department probably give it the right to enter into any institution in the state and prescribe the method of care that shall be given to contagious or infectious cases. This power would enable it to supervise the type of care given to the patients in the three tuberculosis hospitals, if they were under the supervision of the Department of Public Welfare. That there should be no question as to this right and power, it might be advisable to so amend the law that it should be perfectly clear and definite that not only had the Department of Health the right, but the duty to supervise the character of care and treatment to be given the patients in the tuberculosis hospitals after

they were placed under the supervision of the Department of Public Welfare. Thus, the Department of Health would have as full power over the treatment of patients as it now has, but it would be relieved of the burdensome work connected with the operation of the plant in which they are cared for.

Inasmuch as the Department of Public Welfare has been organized but one year, and is organizing new work and enlarging existing work, it will be some time before it would be advisable to place upon that Department the additional burden of caring for the tuberculosis hospitals. For this reason, it would probably be advisable to postpone this change in supervision for one to three years.

A Survey of the Fiscal Policies
of the
Tuberculosis Hospitals and
Dispensaries of Pennsylvania

A REPORT TO THE CITIZENS' COMMITTEE
ON THE FINANCES OF THE STATE
OF PENNSYLVANIA

Appointed by
HON. GIFFORD PINCHOT

By
H. A. PATTISON, M. D.
Supervisor of Medical Service
National Tuberculosis Association

Assisted by
EDGAR T. SHIELDS, M. D.
Medical Field Secretary
National Tuberculosis Association

DECEMBER, 1922

Acknowledgments.

The Citizens' Committee on the Finances of the State of Pennsylvania was appointed by Gifford Pinchot, then Republican nominee for Governor of the state of Pennsylvania, for the following purposes:

(1) To secure and consider the best available figures showing the money income of the state from all sources during the current biennial fiscal period; to secure and consider the best available figures showing the probable total revenue from all existing sources during the next biennial fiscal period; and to make needful recommendations as to sources of revenue and methods of taxation, with the object of avoiding additional or unnecessary burdens upon the people of the state.

(2) To inquire into the expenditures of all monies appropriated for any purpose by the legislative session of 1921; to consider the necessity for such expenditures; to estimate the probable deficits, where such exist, and to make needful recommendations for the more economical and effective expenditure of the state's funds.

(3) To examine into the present methods of appropriating and expending the money received by the state from all sources; to make recommendations as to the fiscal policies of the state; and to propose a form of budget that will assist in preventing the appropriation of monies in excess of the probable revenue.

The Committee in undertaking its responsibilities early decided that it was advisable to have special surveys made of the spending policies of each of the larger departments through an expert peculiarly qualified in each respective field.

The Committee chose as the expert to make the survey of the fiscal policies of the State Tuberculosis Hospitals and Sanatoria of Pennsylvania, Dr. H. A. Pattison of the National Tuberculosis Association. Dr. Pattison is Supervisor of Medical Service of the National Tuberculosis Association. He is a graduate of the

Medical School of the University of Illinois, and has had experience in the successful practice of medicine in Rockford, Illinois, and other places. In 1917, the National Tuberculosis Association, after a search for a suitable candidate for the position of Supervisor of Medical Service, appointed Dr. Pattison to the position. During the last five years he has visited every state of the Union inspecting sanatoria, advising as to measures needed for the care and prevention of tuberculosis, and enlisting the co-operation of the medical profession. During 1919 he was loaned to the Federation Board of Vocational Education, to help the board to formulate plans for the re-education of recovered cases of tuberculosis. For the last eighteen months he has been actively assisting the Committee of Hospital Consultants as to the best methods for the care of consumptives whose disease was contracted in service during the World War. At the request of the New Jersey authorities, he has recently made a survey of the tuberculosis equipment for that state. He is at present just completing a somewhat similar undertaking on the Pacific Coast. He has been special adviser in tuberculosis to the Bureau of War Risk Insurance and to the U. S. Public Health Service.

Inasmuch as there are many important phases of public policy entering into each of these spending policies, the committee deemed it advisable to associate with each of the experts an advisory committee to add their judgments to the matter at hand.

The members of the Advisory Committee on State Tuberculosis Hospitals and Dispensaries are: Dr. Alexander Armstrong, of White Haven; Dr. William Charles White, of Pittsburgh, and Dr. Charles H. Miner, of Wilkes-Barre.

These surveys by experts are made as reports to the Committee and the Committee has immediately released them for publication. The Committee, of course, cannot and does not take credit to itself for either the work or the recommendations. Credit in these matters is due solely to the expert and those who have advised with him.

**The Citizens' Committee on the Finances
of Pennsylvania.**

Clyde L. King, Chairman	Hon. D. Edward Long
Charles J. Rhoads, Treasurer	General Asher Miner
Mrs. Walter King Sharpe, Secretary	Mr. T. D. Stiles
Hon. Franklin Spencer Edmonds	Mrs. William Thaw, Jr.
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Mr. Leonard P. Fox	Mr. Frank P. Willits
Mr. Allen W. Hagenbach	Hon. George W. Woodruff
Mr. Alba B. Johnson	Hon. George Woodward
Mrs. Mary Flinn Lawrence	Mr. Paul D. Wright

Summary of Recommendations.

1. The organization of a case-finding and case-reporting campaign by the Department of Health.
2. Continue the campaign for county and municipally owned tuberculosis beds. Need in Philadelphia especially urgent. No more state owned beds are needed.
3. As rapidly as local sanatorium beds are provided, the percentages of advanced cases in state sanatoria should be reduced, it being the generally accepted view concerning state tuberculosis sanatoria that they should be maintained for the treatment of early recoverable cases.
4. Certain amendments to the County Sanatorium Act are needed:
 - (1) A Board of Trustees appointed by the County Commissioners should select the sanatorium site, have plans and specifications drawn, and they should be responsible from the very beginning for the institution which, later, they are to control.
 - (2) There should be an Approval Board comprised of the State Commissioner of Health, the Director of the Division of Tuberculosis, the Director of the Department of Public Welfare, one or two state sanatorium superintendents and the Chief Nurse of a state sanatorium to approve the selection of sites, plans, et cetera, submitted by county Boards of Trustees.
 - (3) Provision should be made by which proper standards of efficiency for county sanatoria may be promulgated and enforced by the State Department of Health.
 - (4) The establishment of Sanatoria in connection with almshouses should be prohibited.
 - (5) Authority should be given Boards of Trustees of County Sanatoria and municipal authorities dealing with tuberculosis to extend sanatorium service throughout the county or municipality through dispensaries and public health nurses.
 - (6) Hospitals for the insane and similar institutions should provide wings or pavilions for tuberculous inmates.
5. The Veterans' Hospital Unit to be used as a sanatorium for tuberculous children when the ex-service men are removed.

6. Accounting and Expenditures.

- (1) A redetermination of the basis for depreciation and maintenance charges against the Veterans' Bureau account.
- (2) Any amounts over and above a fair distribution of expenses of the Veterans' Hospital should, if possible, be expended for "follow-up" service to Pennsylvania's ex-service men.
- (3) Investigation of possible sources of loss and waste of foodstuffs at Mont Alto. Reorganization of storerooms and possibly a new stores building.

7. Appropriations.

- (1) No allowance for increase in per diem cost of caring for each patient in the state sanatoria.
- (2) Very moderate increase in budget of dispensary system is recommended but no allowance for increase in rent expenses and no appropriation for material relief.
- (3) Reduced appropriations for subventions to private and semi-philanthropic institutions caring for the tuberculous for the next biennium and, as soon thereafter as possible, entirely cut-off.
- (4) New construction for the state sanatoria as requested by the state Department of Health:

"For Mont Alto, a Nurses' Home and School Buildings (added to Community Hall) and cottages for married employees.

"For Cresson, added water supply, electric underground connections, lighting and furnishing playroom, and Home for Pupil Nurses. A Community Hall is also needed in the near future. H. A. P.

"For Hamburg, Cure Pavilions, new quarters for employees, furnishings for Community Hall."

8. Control of State Tuberculosis Sanatoria, it is urged, should, for the present, remain with the Department of Public Health and not be transferred to Department of Public Welfare.

9. A campaign should be undertaken to induce communities and counties to assume direct responsibility for dispensary service.

10. Legislation should be secured making it possible to subsidize county and community dispensaries that are owned and maintained by official agencies.

11. State Public Health nurses should ultimately be employed only for supervisory and emergency service. Local communities and counties should provide for their own direct nursing service.

I. A Study of the Tuberculosis Work of the State of Pennsylvania.

The Department of Health of the State of Pennsylvania as now constituted was organized in 1905 under an Act approved April 27th of that year and consists of a Commissioner and an Advisory Board composed of six members, a majority of whom must be physicians of at least ten years' experience, and one of whom must be a civil engineer.

The work of the Department is carried on through nineteen divisions and bureaus. Those that more directly affect the tuberculosis field in one way or another are:

- (1) The Division of Tuberculosis
- (2) " " " Sanatoria
- (3) " " " Accounting
- (4) " " " Purchase
- (5) " " " Nursing
- (6) " Bureau of Vital Statistics

Tuberculosis Legislation.—Since the organization of the Department, the following legislation touching tuberculosis has been enacted.

(1) May 14, 1907, P.L. 197. An act to provide for the establishing and maintenance of one or more *sanatoria or colonies*, in Pennsylvania, for the free care and treatment of indigent persons suffering from tuberculosis, and making an appropriation therefor.

Section 2. Providing for the use of Forestry Reservations as locations for state sanatoria.

(2) May 18, 1911, P.L. 309. Section 1320. Providing that *teachers* must be free from tuberculosis. See 1509. Persons (pupils, teachers or employees) suffering from tuberculosis to be *excluded from any public school* unless it is a special school for tuberculous subjects.

(3) June 1, 1911, P.L. 623. Conferring authority upon the commissioners of the counties, respectively, within this Commonwealth, to appropriate money for the maintenance of such indigent residents of the county as may be patients in the *sanatorium* of any society, in the county, which may have been duly incorporated for the treatment of residents of such county suffering from tuberculosis.

(4) June 21, 1911, P.L. 1111. Authorizing poor districts to acquire lands, supply, erect and equip hospitals for the care and treatment of indigent persons afflicted with tuberculosis.

(5) April 28, 1915, P.L. 193. Conferring authority upon the commissioners of the counties, respectively, within this Commonwealth, to appropriate money for the maintenance of such indigent residents of the county as may be patients in a hospital or sanatorium, of any district in the county, which has been erected and equipped according to plans and specifications approved by the Department of Health of Pennsylvania.

(6) May 28, 1915, P.L. 642. An Act *forbidding the employment* of persons suffering from tuberculosis in public eating places; *viz.*, hotels, restaurants, dining cars, etc., and (Section 2) requiring *medical inspection* of employees of public eating places for active tuberculosis.

(7) July 17, 1919, P.L. 1010. An act to safeguard human life and health throughout the Commonwealth by providing for *the reporting and control of diseases* declared communicable by this act and by regulation of the Department of Health; providing for the prevention of infection therefrom; and prescribing penalties. (Tuberculosis in all forms is declared communicable and reportable by this act.)

(8) May 20, 1921, P.L. 944. An Act authorizing *the establishment by counties of hospitals for the treatment* of persons afflicted with tuberculosis; providing for management and maintenance thereof; authorizing the incurring of indebtedness and the levy of taxes.

(9) March 30, 1921, P.L. 66. An Act appropriating to the Department of Health certain *moneys* received and to be received from the United States Government for the care and treatment of *certain discharged, sick, and disabled soldiers and sailors and marines*.

Section 1. Be it enacted, etc., that all moneys heretofore or hereafter received by the State Treasurer from the United States Government in payment of the cost of the care and treatment of sick and disabled soldiers, sailors, and marines, placed by the United States Government in State institutions under the control of the Department of Health, are hereby appropriated to the State Department of Health, shall be credited by him to the Tuberculosis Fund of the said department and shall be paid out of the State Treasury in the same manner as other appropriations to the State Department of Health are paid.

General Policy.—From the date of organization of the Department of Health and up to the time of his death in 1918, the Department was in charge of the late, distinguished Dr. Samuel G. Dixon. For approximately one year, the Department was in charge of Acting Commissioner Royer, and he was followed, in January, 1919, by the present incumbent, Dr. Edward Martin, of Philadelphia. It appears to have been the policy of Dr. Dixon to centralize as much as possible in the State House the control and administration of public health work in the State.

In no other state with whose public health organization we are familiar is it the policy to use state funds to carry on local work directly. It is the function of the local communities or counties to promote and maintain their own public health activities. We know of no State Department of Health other than Pennsylvania that is conducting and maintaining local dispensaries. A few

states have State Sanatoria. The larger ones, like New York, Massachusetts, Ohio and Minnesota, have also fostered the development of county and municipal institutions. Until a year or more ago Pennsylvania centered its attention upon its State Sanatoria exclusively for bed provision.

Concerning this policy, the present Director of the Bureau of Tuberculosis says:*

"The system of local responsibility requires a good deal of educational propaganda and it seemed, no doubt, quicker and more economical, and even more effective, for this state to lay down large state sanatoria and place numerous clinics in local communities and do it at once, by fiat, so to speak. But has further experience fully justified this course and shown that it is fully adequate? In certain respects we may say that it has, but it has however shown us more: It has shown that the assuming of this responsibility by the state has retarded the campaign for local responsibility and it has further conclusively shown that the problem of handling the tuberculous sick was more extensive and expensive than originally thought, and that it cannot now, and never can in the future, be adequately handled in this centralized way.

"We have at the present time come to the turning point, and in this connection there are three propositions requiring immediate consideration and action.

"(1) The state has provided as many free beds as it possibly can, or will (about 2,000 in round figures,—more than any other state-controlled beds in the Union), but in spite of this there remain literally thousands of cases, particularly advanced cases, unable to gain admission to these sanatoria. Consequently we are not adequately controlling the spread of tuberculosis, which is clearly preventable and clearly curable, given the facilities for segregating and treating these cases. Our waiting list for admission to the three state sanatoria has in the past been so long as to defeat the full usefulness of these sanatoria. Thus it has not been possible to keep the population of these sanatoria, on account of the advanced condition of many cases, moving sufficiently fast to serve their most useful purpose.

"What is the answer? We must take a leaf from the demonstration of our neighbors; we must call on the local units, in this case the counties, to assume part of the responsibility, at least to take care of their own advanced sick. We must call upon the counties to recognize their imperative need and imperative duty. The response made by a fairly large number of counties through the recent act authorizing them to build county hospitals or sanatoria, shows that they are fully alive to the situation and recognize that they must act if they are to serve their own people. Local communities must act if the crusade is really to advance, if it is not just to drag along.

"(2) General hospitals should set aside special wards for cases of tuberculosis. This would go far toward helping the situation, particularly in the larger cities. This is imperatively called for. So far, however, there is little progress along these lines, nor do I think it is the entire answer. We need local county institutions in the larger and more populous counties where there are many deaths from tuberculosis yearly; and relatively speaking, few general hospitals are equipped to set aside wards for this special purpose.

"(3) Turning to the state dispensary system, this local responsibility is again involved and evident. The idea of a State Department of Health initiating and maintaining entirely a local institution, run for local welfare, under local administration, is foreign to our American ideals, and so far as I know this is

*A. P. Francine, Local Responsibility for Community Welfare With Special Reference to Tuberculosis.

done nowhere else. This system, however, has been started and in operation for a long time and we may now estimate its strength and its weakness. It calls for great expense to the State Department of Health, whose duties in other relations are manifold, far-reaching and very broad, and an expense which recent appropriations, and probably future ones, will not justify and cannot carry. The tuberculosis problem cannot be adequately handled in this way.

"It seems eminently proper that local communities should be called upon to bear at least a share of the expense of these clinics and that the proper response is in providing free and suitable quarters for them. What we may look upon as these legitimate overhead charges, namely: rent, heat, light, and janitor service, are in each instance much less, usually one to six or one to ten, than the expense the State Department of Health is willing to and does bear in paying its doctors, nurses, and clerks, and in furnishing supplies. The Department sees the reason for this, though again it is done in no other state, in order to help maintain these clinics and make them permanent; to maintain an efficient and uniform standard so far as possible; to give them the prestige; so to speak, of official backing; and to link up through them the tuberculous sick of local communities with the state sanatoria. The system, with certain limitations, is a good one, but the idea of asking local communities to share in maintaining these clinics is clearly a proper one. This view, relatively recently promulgated by the Commissioner of Health, has been accepted by local communities very widely, and in most cases with a hearty and generous response, which reflects high civic pride and an appreciation of the service of these clinics to the community. Out of ninety-odd dispensaries the state is at present paying rent in only about fourteen places, where a year ago it was paying rent in fifty or more places. This part ownership further stimulates the interest of the community, whether it assumes this responsibility through the contributions of voluntary organizations or through its municipal or county government, as has been variously the case.

"Further, this dispensary system must be extended, for there are many communities clamoring for a state clinic who offer free quarters."

The policies outlined above are those of the State Department of Health, according to Commissioner Martin. This policy of gradual decentralization is, in the opinion of your investigator, much sounder than the previous policy of centralization.

To change such a centralized policy involved a great deal of difficulty and was likely to arouse considerable opposition in numerous quarters. Such decentralization as has taken place seems, however, to have been done with a minimum of friction. The morale of the field organization seems to be excellent and the same appears to be true of the central organization.

Mortality and Morbidity.—The table on the following pages indicates pretty clearly from the mere standpoint of statistics, the tuberculosis situation in the state and counties. The number of deaths for ten years is shown up to 1920. There have been no marked changes during that period except in 1918 when there was a sharp increase. Since then there has been a rapid decline. The rate for 1921 was reported to be 78.9 per 100,000.

MORTALITY FROM TUBERCULOSIS OF THE LUNGS FOR EACH COUNTY IN THE STATE
 For the Ten-Year Period 1911-1920, Inclusive,
 and
 MORBIDITY FOR THE YEAR 1920 FOR THE SAME AREAS.

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Counties	1920 Census Population	DEATHS FROM TUBERCULOSIS OF THE LUNGS							Cases of Ful- monary Tuber- culosis reported to State Board of Health	Estimated No. cases nine times No. deaths	
		1911	1912	1913	1914	1915	1916	1917			
Totals	8,720,017	9,226	8,628	8,475	8,841	9,271	9,573	10,042	11,257	8,971	8,011
Adams	34,583	35	35	43	39	25	26	39	21	25	6
Allegheny	1,185,808	1,182	1,152	1,169	1,257	1,307	1,315	1,533	1,634	1,304	1,306
Armstrong	76,568	48	47	50	43	41	37	45	55	52	13
Beaver	111,621	86	102	70	84	81	109	101	132	98	94
Bedford	38,277	27	23	24	20	26	21	23	17	25	21
Berks	200,854	206	160	173	251	471	443	478	558	466	360
Blair	128,334	77	78	68	88	84	77	76	90	67	66
Bradford	53,166	32	31	29	49	28	39	50	36	44	43
Bucks	82,476	95	82	87	93	82	76	90	77	78	78
Butler	77,270	56	64	48	48	45	51	58	59	49	42
Cambria	197,839	137	144	202	211	207	221	267	373	286	231
Cameron	6,297	3	4	4	2	2	3	3	3	2	2
Carbon	62,565	43	55	49	53	56	68	63	74	62	62
Centre	44,304	19	28	31	18	25	26	18	35	18	32
Chester	115,120	148	122	127	137	126	149	143	127	124	59
Clarion	36,170	26	14	20	15	10	16	22	24	18	17
Clearfield	103,236	45	51	49	53	39	42	37	54	41	19
Clinton	33,555	36	22	30	24	26	20	20	31	18	14
Columbia	48,349	32	26	25	21	22	32	24	23	18	19
Crawford	60,667	43	48	52	50	35	36	35	45	34	39
Cumberland	58,578	61	52	54	53	55	60	54	63	57	57
Dauphin	163,116	204	201	159	152	167	189	190	201	184	187
Delaware	173,084	195	172	192	169	195	192	188	188	170	161
Elk	34,981	19	20	16	20	11	19	19	17	10	12
Erie	153,536	129	98	89	91	114	144	138	196	114	122

MORTALITY FROM TUBERCULOSIS OF THE LUNGS FOR EACH COUNTY IN THE STATE
 For the Ten-Year Period 1911-1920, Inclusive,
 and
 MORBIDITY FOR THE YEAR 1920 FOR THE SAME AREAS.—CONTINUED.

Counties	1920 Census Population	DEATHS FROM TUBERCULOSIS OF THE LUNGS								Cases of Pul- monary Tu- ber- culosis reported to State Board of Health	Estimated No. cases nine times No. deaths.	1920
		1911	1912	1913	1914	1915	1916	1917	1918	1919		
Totals	8,720,017	9,226	8,628	8,475	8,841	9,271	9,573	10,042	11,257	8,971	8,011	8,144
Fayette	188,104	129	107	127	139	134	145	129	92	152	111	50
Forest	7,477	1	2	4	3	1	4	5	4	4	4	6
Franklin	62,275	310	338	302	289	235	273	267	213	196	80	720
Fulton	9,617	14	10	4	17	4	14	7	8	6	5	45
Greene	30,804	30	38	33	23	23	21	29	23	24	24	17
Huntingdon	39,848	30	34	36	24	37	28	26	44	45	28	17
Indiana	80,910	58	25	33	28	31	43	46	56	29	35	57
Jefferson	62,104	46	32	23	21	38	25	41	43	32	39	7
Juniata	14,464	18	18	8	13	17	21	13	7	8	14	2
Lackawanna	286,311	191	190	212	232	209	213	249	217	177	188	1,593
Lancaster	173,797	182	154	168	160	195	187	162	205	125	140	113
Lawrence	85,545	52	54	48	42	48	45	49	62	48	61	38
Lebanon	63,152	55	39	54	41	41	55	50	65	32	44	45
Lehigh	148,101	134	137	145	163	158	162	145	198	173	165	147
Luzerne	390,991	310	265	253	292	306	326	370	419	325	326	226
Lycoming	83,100	66	52	34	42	48	54	54	58	51	40	8
McKean	48,934	35	36	28	35	37	37	35	44	46	40	63
Mercer	93,788	48	52	56	59	63	85	69	94	78	73	12
Mifflin	31,439	25	27	29	25	37	29	31	35	20	37	31
Monroe	24,295	20	25	31	24	18	21	30	33	12	31	279
Montgomery	199,310	246	252	255	266	275	277	294	373	253	273	83
Montour	14,380	21	30	24	18	31	26	22	27	34	19	306
Northampton	153,506	139	156	106	131	143	176	159	173	143	141	117
Northumberland	122,079	85	72	67	95	95	95	89	107	82	88	138

MORTALITY FROM TUBERCULOSIS OF THE LUNGS FOR EACH COUNTY IN THE STATE

For the Ten-Year Period 1911-1920, Inclusive,
and

MORBIDITY FOR THE YEAR 1920 FOR THE SAME AREAS.—CONTINUED.

Counties	1920 Census Population	DEATHS FROM TUBERCULOSIS OF THE LUNGS										Cases of Pul- monary Tuber- culosis reported to State Board of Health	Estimated No. cases nine times No. deaths
		1911	1912	1913	1914	1915	1916	1917	1918	1919	1920		
		9,226	8,628	8,475	8,841	9,271	9,573	10,042	11,257	8,971	8,011		
Totals.....	8,720,017	20	20	14	27	23	21	29	22	14	1	126	72
Perry.....	22,875	20	20	14	9	3	6	6	2	8	1	126	72
Pike.....	6,818	12	9	3	11	8	12	10	5	8	8	1,566	1,566
Potter.....	21,089	10	12	10	11	8	217	212	235	199	174	104	1,566
Schuylkill.....	217,754	161	167	215	194	217	212	235	20	8	10	3	90
Snyder.....	17,129	18	26	11	9	13	11	19	20	8	10	9	396
Somerset.....	82,112	30	24	31	38	50	33	37	44	37	44	9	396
Sullivan.....	9,620	8	6	7	5	4	6	10	11	4	4	1	36
Susquehanna.....	34,763	32	29	23	25	31	24	19	23	16	17	1	163
Tioga.....	37,118	19	33	24	21	29	22	18	27	21	20	2	180
Union.....	15,850	14	14	9	13	8	9	9	7	10	10	4	90
Venango.....	59,184	63	80	53	49	61	51	40	68	54	66	56	604
Warren.....	40,024	27	35	37	33	36	35	37	39	32	47	43	423
Washington.....	188,992	160	154	106	119	126	134	168	162	152	115	133	1,085
Wayne.....	27,435	32	31	25	27	24	28	22	23	37	25	15	225
Westmoreland.....	273,668	162	145	135	140	177	161	170	231	172	149	37	1,341
Wyoming.....	14,101	10	8	7	13	11	8	7	14	7	7	2	63
York.....	144,521	146	125	143	148	146	136	105	123	128	104	89	936
Philadelphia (County and City co-extensive).....	1,823,779	3,058	2,734	2,692	2,780	2,767	2,916	3,035	3,389	2,572	2,216	3,969	19,944
Death Rate per 100,000 population for entire State.....	118.3	109.1	104.5	107.2	110.6	112.3	119.9	133.3	103.6	91.6			

We have been unable to learn the condition of the morbidity records of the State Department of Health, i. e., how often the records are overhauled for the purpose of removing the cards of those who have died, or have been reported from two or more communities, or have removed from the state. The table shows the number of cases reported by counties in 1920; in most counties the number is far below the number of deaths for the same year, whereas under present conditions in the state the number reported should exceed the number of deaths. In a few counties the number of cases reported far exceeds the deaths.

It is now customary to estimate the number of living cases at a given time as nine times the number of deaths for that year.

It is an axiom among students of public health that to control a communicable disease it is necessary to discover the location of the cases. With the location of cases unknown, it is quite impossible for the forces organized against tuberculosis to provide adequate treatment and relief, to seek out contacts for examination, to provide education, increased nutrition, open-air schools, preventoria, camps, etc.

Children are being infected by adult cases of tuberculosis in the family. Massive infection could be prevented by present organized forces arrayed against the disease if the cases were known. The physicians who do not report are directly responsible for many of these massive infections. The primary responsibility, therefore, for the development of a considerable percentage of cases of active disease and their ultimate deaths rests directly and squarely upon the medical profession.

Having reported a case the responsibility for the control of the disease shifts at once from the practitioner to the constituted authorities. Once realizing their direct responsibility it is inconceivable that physicians would be willing to ignore law and duty. While technically the constituted authorities are responsible for the enforcement of law, the physician is not thereby relieved of his obligation to obey the law without resort by the State or Community to legal compulsion.

There should therefore be inaugurated a state-wide case-finding and case-reporting campaign.

II. Institutional Provision for the Tuberculous.

NUMBER OF BEDS AVAILABLE IN PENNSYLVANIA FOR THE INSTITUTIONAL CARE AND TREATMENT OF THE TUBERCULOUS.

The following list of institutions giving care and treatment to tuberculous individuals of the State has been compiled from the records on file in the office of the National Tuberculosis Association, New York City. The number of beds is approximate.

NAME OF INSTITUTION	Location	Type of cases admitted	No. of beds
STATE South Mountain Sanatorium No. 1.....	Mt. Alto Camp (Franklin Co.)	Incipient chiefly. Children admitted.....	743
STATE South Mountain Sanatorium No. 1.....	Mt. Alto Hospital (Cambria Co.)	(U. S. Veterans' Bureau).....	175
STATE Sanatorium for Tuberculosis No. 2.....	Cresson (Cambria Co.)	Incipient chiefly. Children admitted.....	715
STATE Sanatorium for Tuberculosis No. 3.....	Hamburg (Berks Co.)	Incipient chiefly. Children admitted.....	450
SANATORIA			
Philadelphia Jewish San. for Consumptives (Eagleville San.).....	Eagleville (Montgomery Co.)	Incipient and moderately advanced. Adults..... Children.....	80 30
Bon Air San.....	Bell's Camp (McKean Co.)	Incipient and other favor- able cases.....	35
Louise Home San.....	Erie (Erie Co.)	All classes except far ad- vanced.....	16
Dermady Cottage San.....	Morton (Delaware Co.)	All classes.....	35
Grand View San.....	Oil City (Vernango Co.)	All favorable cases.....	50
Berks Co. Tbc. San. (Neversink Mountain Tbc. San.).....	Reading (Berks Co.)	All classes.....	54
West Mountain San.....	Scranton (Lackawanna Co.)	Incipient cases. For chil- dren primarily.....	29
Clair Mont San.....	White Haven (Luzerne Co.)	Incipient and moderately advanced.....	20
Fern Cliff San.....	White Haven (Luzerne Co.)	Moderately advanced cases only.....	25
Hill Crest San.....	White Haven (Luzerne Co.)	All classes.....	10
Sunnyrest San.....	White Haven (Luzerne Co.)	All classes.....	50
White Haven San.....	White Haven (Luzerne Co.)	All classes.....	200
Hamilton Cottage San.....	White Haven (Luzerne Co.)	All classes.....	10
HOSPITALS			
Hospital of the Henry Phipps Institute of the Univ. of Pa. (Eagleville San.).....	Philadelphia (Philadelphia Co.)	Advanced.....	40
Pittsburgh City Home and Hospital.....	Mayvies (Allegheny Co.)	All classes, particularly ad- vanced.....	125
Jefferson Hospital Dept. for Diseases of the Chest.....	Philadelphia (Philadelphia Co.)	Advanced cases.....	40
Philadelphia Gen. Hospital.....	Philadelphia (Philadelphia Co.)	All classes.....	495
Rush Hospital for Consump- tion and Allied Diseases.....	Pbiladelphia (Philadelphia Co.)	All classes. City..... County.....	44 87
The Tuberculosis League Hos- pital of Pittsburgh.....	Pittsburgh (Allegheny Co.)....	All classes.....	110
City Hospital.....	Pittsburg (Allegheny Co.)	All classes.....	100
HOMES			
Home for Consumptives of the Phila. Protestant Episcopal City Mission.....	Philadelphia (Philadelphia Co.)	All classes.....	110
Allegheny Co. Home (Poor Farm).....	Woodville (Allegheny Co.)	Chiefly terminal cases.....	50
CAMPS			
Devitt's Camp.....	Allenwood (Union Co.)	Incipient cases.....	42
PREVENTORIA			
River Crest Preventorium of Kensington Dispensary for the Treatment of Tbc.....	Mont Clare (Montgomery Co.)	For children predisposed to tuberculosis.....	20
Camp Healthy—Tbc. Preven- torium of the Pbiladelphia Health Council.....	Philadelphia (Philadelphia Co.)	Children 6-12.....	50
SOLARIUM			
Solarium for Tbc. Children at Ashland State Hospital.....	Ashland (Schuylkill Co.)	Tuberculous children.....	15
TOTAL.....			4,055

It will be seen by the table that while the annual number of deaths during the ten-year period ending with 1920 has ranged from 8,011 to 11,257, with an average of 9,229.5, the total number of beds is approximately only 4,055.

A widely accepted formula for determining the number of beds required for a given locality is this: that the number of beds should at least equal the average number of annual deaths for a period of five to ten years.

Upon this basis not less than 5,175 additional beds are needed in the state. The active constructive interest being shown by many of the counties will greatly relieve the situation. A number of counties have already voted to establish local tuberculosis sanatoria. A few have sites selected and plans drawn. The need for more beds for the City of Philadelphia is particularly urgent.

It is the opinion of your investigator that no more State beds are likely to be needed. As the counties develop their local sanatoria the State should as rapidly as possible increase the percentage of early cases.

Amendments to Sanatorium Act.—The County Sanatorium Act is an excellent one but requires some amendment.

1. It is believed that, not the county commissioners, but the Board of Trustees appointed by the Commissioners, should have plans and specifications prepared and should select the site.
2. To pass upon and approve sites, plans, and specifications there should be an Approval Board comprising the Commissioner of Health, the Director of the Department of Public Welfare, the Director of the Division of Tuberculosis, one or two sanatorium superintendents and the Chief Nurse of a state sanatorium.
3. Some provision should be made for establishing and enforcing proper standards of efficiency by the State Department of Health.
4. The establishment of sanatoria in connection with county almshouses should be forbidden.
5. Authority should be given the Boards of Trustees of County Sanatoria to extend the sanatorium service through dispensaries and public health nurses so that the staff may be in touch with cases awaiting admission, and with discharged cases.

The development of county sanatoria at this late date gives the opportunity to plan wisely in the light of an enormous accumulated experience throughout the United States. Some revision of policy has occurred within the past year which will save the state in money and prestige. The two principal changes are those regarding location, and type of patients for county sanatoria. It had been proposed to build local hospitals for advanced cases exclusively and locate them upon county almshouse property. The locating of sanatoria on almshouse property has been proved in many states to be a serious mistake. Your investigator is of the opinion that county sanatoria for advanced cases exclusively is also a mistake. In large cities advanced case hospitals in connection with large general hospitals undoubtedly fulfil a need.

The choice of a site for a sanatorium is a very important matter, and should be made with a single thought in mind—the best interests of the patients. It is charged, and considerable testimony appears to substantiate the charge, that the taking over of "Neversink" at Reading by the county was approved by the State Commissioner of Health under strong political pressure and against the advice of physicians familiar both with tuberculosis and with "Neversink."

The State Sanatoria.—In a supplemental report, your investigator will submit detailed information concerning the State Sanatoria based upon observation and the answers to a very full questionnaire. The immediate report deals more with fiscal matters. It may be said here, however, that the standards of medical and nursing care are high in all of them. The records were complete and up-to-date. The laboratories were found adequate and in good order, the work in them appearing to be quite satisfactory.

Sanatorium No. 1 situated at Mont Alto, 58 miles south of Harrisburg and 15 miles from Chambersburg, was opened in June, 1907. It is located upon a beautiful tract of 600 acres. Developed on the cottage plan, it now has a total capacity of 918 beds.

The Medical Director is Dr. R. H. McCutcheon, the newest of the sanatorium administrators of the state. His institution is the most difficult to conduct because of its type; the isolation of the institution with consequent difficulty of securing and holding help; the wide separation of the Veterans' Unit from the camp; the

limited infirmary facilities; and the added responsibility for a special and exacting class of patients, the ex-service men. Nevertheless, the work is going on very well. The spirit of the institution appears now to be very good.

The Veterans' Hospital Unit at Mont Alto with an original capacity of 220 beds is located perhaps a half mile from the so-called "camp." This building has been repaired and equipped as a hospital for tuberculous ex-service men, and is managed under the terms of a contract with the U. S. Veterans' Bureau. A per diem of \$3.50 per patient is paid by the Veterans' Bureau.

The requirements of this class of patients are such that it was necessary to reduce the capacity to 175 beds. The buildings have been put into excellent condition and this hospital is now among the best of those owned by or under contract with the Federal Government.

In numerous instances in various parts of the country there has been severe criticism of state and municipal governments by those interested in the ex-service men, because they received much more from the Federal Government than the actual cost of maintenance. Presumably because of this the Legislature passed P.L. No. 66, Sessions of 1921. (See (9), page 4.) Whether or not it was the intention of the Legislature that all moneys so received should be spent on ex-service men is not apparent. It was directed that such moneys should be credited to the Tuberculosis Fund. The Commissioner states that it has been expended "entirely on tuberculosis work."

Your investigator has received the distribution sheets covering expenditures for the Veterans' Hospital from February, 1922, to August, inclusive. The items cover: Administration; Building Repairs; Heat, Light and Power; Garage; Foodstuffs; Hospital; School; Freight and Express; Telephone and Telegraph; Payrolls and Furnishings.

A summary of Maintenance Cost for this hospital for the same period lists expenditures under four headings: Salaries; Foodstuffs; Miscellaneous Supplies; Depreciation. The totals on the distribution sheets are different from, and in all except one case* considerably less than, the totals on the summary sheet (exclusive of depreciation).

Totals from Distribution Sheets	Totals from Summary Exclusive of Depreciation	Difference
Feb. 10,924.38	14,924.38	4,000.00
Mar. 13,542.89	14,473.95	931.05
Apr. 13,145.06	13,685.72	540.66
May 12,198.68	12,136.67	*66.01
June 11,729.07	12,674.68	198.66
July 11,121.67	11,697.64	575.97
Aug. 10,427.52	11,437.93	1,010.41

Concerning these differences, the Commissioner says: "This apparent discrepancy is explained by the fact that the Summary Sheet takes into consideration a certain proportion of general overhead expenses. These overhead expenses include a just part of the operating expenses of the following divisions of the sanatorium: administrative; laundry; poultry, pig farm and stable; grounds; garage; sewage disposal plant, water works system, etc., etc." A certain proportion of expenses for administration, however, are already made on the distribution sheets; also for garage. A difference of \$2,299.82 for foodstuffs in February is reported as due to "an unsystematic storekeeper" who wrongly charged the account to the camp.

It will be noted that on the Summary Sheet a ten per cent depreciation is charged against the Veterans' account, amounting to \$2,196.05 per month. This depreciation is figured on the inventory of actual original cost and not on the net valuation after deducting twenty-five per cent for depreciation, as has been done for all three institutions in determining present values.

Building repairs are also charged against the Veterans' account. While as an accounting procedure this double charge may be defended,¹ it would seem to your investigator that ten per cent is excessive, inasmuch as the plant when taken over was more than ten years old and the whole cost of the institution would be more than paid for by the Veterans' Bureau if the contract were kept in force for ten years. It would seem that a much lower per cent

¹Commissioner Martin quotes Montgomery's "Cost Accounting":

"One factor of depreciation needs to be noted in particular; this is the amount spent for maintenance in the form of repairs and renewals. It is clear that whatever is spent to counteract the effect of age and use tends to lessen the amount of depreciation. Theoretically, if a factory were maintained in its original condition, its maintenance cost would exactly counterbalance the depreciation. However, this is quite impossible in practical operation. Repairs are made only as efficiency requires. The plant as a whole may be gradually depreciating without its efficiency being impaired to any appreciable extent."

MAINTENANCE Cost of War VETERANS' HOSPITAL.

	1922 Feb.	March	April	May	June	July	August
Salaries.....	4,697.10	4,530.81	5,005.56	5,372.86	4,781.59	4,465.35	4,274.29
Foodstuffs.....	6,477.00	5,586.90	5,635.89	5,390.43	5,470.27	5,682.69	4,931.55
Miscellaneous Supplies.....	3,750.28	3,356.24	2,444.27	1,173.38	2,422.82	1,549.60	2,232.09
Coal.....	14,924.38	14,473.95	13,085.72	12,136.67	12,674.68	11,697.64	11,437.93
Drugs.....							
Telephone and Telegraph.....							
Freight and Express.....							
Electric Power.....							
Depreciation 10%.....							
TOTAL.....	17,120.43	16,570.00	15,281.77	14,332.72	14,870.73	13,893.69	13,633.98
Patients' Days.....	6,076.00	6,386.00	5,250.00	4,929.00	4,500.00	4,798.00	4,741.00
Cost Per Patient Per Day.....	2.82	2.61	2.91	2.90	3.30	2.90	2.88
Food Costs Per Day.....	1.07	1.03	1.07	1.13	1.22	1.18	1.04

DEPRECIATION FIGURED ON THE APPROXIMATE COST OF HOSPITAL AND EQUIPMENT.

	Amount Expended	Money Received
Hospital.....	\$100,000.00	
Hospital, Nurses' and Physicians' Building.....	30,000.00	\$17,120.43
Heating Plant Building at Hospital.....	23,726.00	16,670.00
Heating Plant Equipment.....	41,800.00	15,281.77
Heating Plant System.....	13,600.00	14,332.72
X-Ray Equipment.....	2,500.00	14,870.73
Soldiers' Club.....	15,300.00	13,893.69
Personal Property and Cafeteria.....	36,700.00	13,633.98
		\$105,803.32
		\$113,362.00
Monthly Depreciation at 10%.....		
		\$263,526.00
		2,196.05

Monthly Densification at 100²

*These totals added by Dr. Pattison.

(say three to five) for depreciation figured on the net valuation as of May 1, 1922 (date of inventory) would be more nearly equitable. In determining the rate of depreciation it is fair to take into consideration obsolescence due to changes in methods of treatment; actual physical deterioration of the plant; and perhaps cost of replacement.

A perfectly legitimate charge against this account would be a proportion of the central office costs in the Divisions of Accounting and Purchase. The suggested charge of \$1,000 per month or \$48,000 per annum against the four institutional units appears too high if the two divisions serve the whole department, inasmuch as the total expenditure of these two divisions was but \$51,503 for the year ending May 31, 1922.

The total sum received by Pennsylvania from the U. S. Government for the care and treatment of its beneficiaries is given as follows:

RECEIPTS	from October 20, 1919, to June 1, 1921; for patients maintained at Mont Alto, Cresson and Hamburg..	\$ 94,254.34
RECEIPTS	from June 1, 1921, to December 1, 1922, for patients at Mont Alto....	215,975.00
	Room and Board of Federal Employees in Hospital.....	2,110.68
		218,085.68
RECEIPTS	from June 1, 1921, to December 1, 1922, for patients at Cresson	35,003.50
RECEIPTS	from June 1, 1921, to December 1, 1922, for patients at Hamburg.....	7,090.00
	Total receipts from Federal Govern- ment to December 1, 1922.....	\$354,433.52

That there may be no possible ground for criticism it is suggested that there should be a redetermination of inventory values and charges for service rendered the Federal Government. It is suggested, also, that if possible any amounts over and above a fair distribution of expenses should be expended for "follow-up" of

discharged Pennsylvania ex-service men, through the state dispensaries and public health nurses.

High Cost in Construction.—Every government, local and central, must pay for the education of its new appointees; for the hobbies or foibles of some of them and for the fads of the time. This fact is well illustrated in the State Sanatoria and especially at Mont Alto.

The former Commissioner is said to have had a prejudice against nickel-plated plumbing. The resultant enormous quantities of open brass work in these institutions would cost for mere cleaning a considerable sum annually were it not that the work is distributed among ambulant patients. Brass cleaning is, however, anything but an ideal prescription for occupational therapy.

The cottage system constitutes an excellent method of treating tuberculosis but is administratively very expensive, especially for so large an institution as that at Mont Alto. It was the approved method at the time of the establishment of the institution.

Isolation was also considered the proper aim in locating a sanatorium. The present cost of administration is not excessive in comparison with other sanatoria, and with the development of county sanatoria it will make it possible to admit only the early cases. This will offset some of the disadvantages of isolation. The present need of these beds is great and it would, in our opinion, be an unjustifiable expense to abandon Mont Alto, as has been suggested in some quarters.

When the veterans are transferred from the hospital to a federal institution, the quarters could well be developed into a splendid institution for tuberculous children. It is felt by administrators that frequent visits to children by parents excite and increase homesickness, so that isolation has some advantages.

The laundry and power house at Mont Alto were unfortunate mistakes readily admitted by the present administration. The laundry building was well planned and well built. The equipment is first class in every respect and very patently arranged by a laundry engineer. It is, however, just about twice too large for the needs of the institution. The layout was reported as having been recommended by a hold-over member of the engineering division.

A second power house for the hospital was approved because

the engineering division (the same hold-over employee, I believe) insisted that there were insuperable difficulties in the way of carrying steam pipes across a stream from the existing and adequate power house. The employee has been separated from the service, but the state paid, as inevitably it must somewhere along the line, unless great vigilance is exercised, especially in the early months of a new administration.

An expensive fad was the ten thousand five hundred dollar ventilating system at Cresson that was never used.

Store Rooms and Food Consumption at Mt. Alto.—Either a rearrangement of stores in the present building or a new storage building is urgently needed. Your investigator found stores under seven locks in distant parts of the basement. The cost of receiving and distributing supplies must be much higher than would be the case if there were a well-organized single store-room besides the refrigerators.

In his general survey of all the institutions of the state, Mr. Henry C. Wright found that the pounds of food consumed last year at Mont Alto exceeded by 935 pounds for each person fed, the pounds consumed at Hamburg and exceeded by nearly 1,500 pounds the food consumed by each individual at Cresson Sanatorium. The average consumption by each person at Mont Alto was somewhat over 3,100 pounds. This statement indicates the need of a careful investigation of possible sources of loss and waste.

State Sanatorium No. 2 at Cresson is located on 500 acres of land in a mountainous woodland region. The investment in land, buildings and equipment amounts to \$1,195,473. (Exclusive of store-room supplies.) The Department estimates a 25% depreciation, leaving a net present valuation of \$896,604.

The Medical Director, Dr. W. G. Turnbull, is recognized as one of the foremost sanatorium administrators in the United States. A survey of the institution confirms his reputation. The morale among patients and employees appeared to be all that could be desired. The discipline of the children in hospital, school and dining-room appears to be complete and thorough. That implies what is apparent, that the children are contented and happy.

Your investigators ate three meals in the institution, which

according to the menu records was no different from the customary service. We do not recall ever having been served so good food in any similar large sanatorium.

The medical personnel is not so large as called for by the standards of the American Sanatorium Association. The four physicians, however, have been with Dr. Turnbull for several years, and, in his opinion, have their work so organized and systematized as to make it unnecessary to employ a larger corps of assistants.

The outstanding need of this sanatorium is a new amusement hall similar to the one now being completed at Hamburg.

A significant paragraph in the report of the Medical Director under date of October 24, 1922, reflects great credit upon the local management and the State Department of Health:

In looking back over the ten years of work in this institution, the outstanding feature of the past four years is one that cannot be well shown on a statistical report. It consists of humanizing of our institution; making it less of an institution for the routine treatment of a disease, and more of a community and home in which sick people can live. For the first time state money has been available for the entertainment of patients, for promoting social life among them, for buying books and conducting our schools properly, and for equipping and maintaining proper playgrounds for our children. Our construction expenditures during this period have been not for increasing the number of hospital beds, but for making life more pleasant for the patients we already had. At no time during the past four years has anything been refused the Director of this institution if he could show that it would add anything to the welfare, comfort, or happiness of our patients.

State Sanatorium No. 3 is located on a large level of land near the town of Hamburg, 58 miles north of Harrisburg. This modern hospital of block type has been established here with a central administration group and connecting wings for patients. The investment in land, buildings, and equipment amounts to \$1,012,209 (exclusive of store-room supplies). The estimated depreciation given as 25% leaves a net present valuation of \$759,157.

During the past two years there have been readjustments, with a change of Medical Director and the heads of many departments, most of the present staff being new to the institution. The present Medical Director is Dr. H. A. Gorman, transferred, because of his ability, from a subordinate position at Mont Alto.

The lack of infirmary facilities at Mont Alto and the lack of adequate open-air sleeping and resting facilities at Hamburg had

led during previous years to the admission chiefly of far-advanced and even terminal cases to Hamburg. It is worth while to insert here a Summary of discharges in 1919, 1920, 1921 and part of 1922.

DISCHARGES—1919.

	Total	Arrested	Apparently Arrested	Improved	Unimproved	Died
Mod. Adv..	125	3	13	75	33	1
Far Adv....	999	3	14	294	402	286
Total.....	1124	6	27	369	435	287

DISCHARGES—1920.

	Total	Apparently Cured	Arrested	Apparently Arrested	Improved	Un-improved	Died
Incipient....	8	1	1	0	4	2	0
Mod. Adv....	192	6	15	16	81	59	15
Far Adv.....	694	3	16	23	204	250	198
Total.....	894	10	32	39	289	311	213

DISCHARGES—1921.

	Total	Apparently Cured	Arrested	Apparently Arrested	Improved	Un-improved	Died
Incipient....	24	1	6	6	5	4	2
Mod. Adv....	322	19	31	46	101	99	26
Far Adv.....	611	7	15	32	145	227	165
Total.....	957	27	52	84	251	330	213

DISCHARGES—1922.

	Total	Apparently Cured	Arrested	Apparently Arrested	Improved	Un-improved	Died
Incipient....	19	2	2	4	11	0	0
Mod. Adv....	249	13	23	37	92	61	23
Far Adv.....	363	4	11	26	71	156	95
Total.....	631	19	36	67	174	217	118

The occurrence of 287 deaths in one year within the walls of a hospital of 450 beds is a serious handicap and accounts in part at least for many empty beds. The policy of the present Commissioner of Health has been to secure, through the dispensary system,

the more hopeful type of case and not designate to Hamburg the desperately hopeless cases.

The benefits are reflected in the above summaries and in the average daily census for the same periods.

1919	—	390	1921	—	430
			1920	—	400 1922 (to Oct. 1) — 434

The outstanding need at Hamburg is the addition of semi-detached cure pavilions.

From the standpoint of housekeeping the institution is beautifully managed. The nursing care appeared to be excellent. The medical records examined were up to date and well kept. The morale among patients and staff appeared to be good.

Special mention should be made also of the well-arranged store rooms. The system of records of stores received and given out was excellent. The same system is in use at the other sanatoria but appeared to be particularly well organized at Hamburg.

Salaries and Wages.—It will be seen by the following schedule that there is a minimum and maximum rate of pay. New employees are taken on at the low rate and advanced as circumstances may require or appear desirable. Recommendations for increase in pay are made by the Medical Director and generally approved, if within the schedule, by the Commissioner of Health. This arrangement, in every case where inquiry was made, was reported to be very satisfactory.

Schedule of Salaries and Wages for State Sanatoria.
Approved February 20, 1922.

	<i>Per Year</i>
Medical director, Mt. Alto.....	\$4,000.00
Hamburg.....	4,000.00
Cresson.....	5,000.00
Chief of medical service.....	2,500.00
Resident physician.....	1,400.00 to \$2,000.00

	<i>Per Month</i>
Head nurse.....	\$100.00 to \$125.00
Staff nurse.....	65.00 to 70.00
Night superintendent.....	65.00 to 75.00
Housekeeper.....	83.33 to 110.00
Assistant matron.....	35.00 to 60.00
Master mechanic.....	125.00 to 150.00
Chauffeurs.....	40.00 to 50.00
Chef.....	80.00 to 100.00
First assistant chef.....	60.00 to 80.00
Second assistant chef.....	50.00 to 60.00
Kitchenmen.....	40.00 to 50.00
Dishwashers.....	35.00 to 45.00
Butchers.....	55.00 to 85.00
Waitresses.....	20.00 to 34.00
Cleaners.....	24.00 to 34.00
Laundress.....	24.00 to 34.00
Marker and sorter.....	28.00 to 36.00
Laundry and machine operator.....	40.00 to 50.00
Laundry washer.....	30.00 to 40.00
Baker.....	80.00 to 110.00
Assistant baker.....	50.00 to 60.00
Medical orderly.....	25.00 to 35.00
Secretaries.....	70.00 to 85.00
Stenographers.....	60.00 to 70.00
Chief clerk.....	100.00
Clerk.....	45.00 to 60.00
Storekeeper.....	70.00 to 100.00
Assistant storekeeper.....	60.00 to 75.00
Head orderly.....	25.00 to 45.00
Messengers.....	20.00 to 30.00
Pump runners.....	20.00 to 30.00
Orderlies.....	15.00 to 30.00
Ward maids.....	12.00 to 20.00
Seamstresses.....	15.00 to 25.00
Watchmen.....	20.00 to 30.00
Chief of laundry.....	60.00 to 100.00
Assistant chief of laundry.....	30.00 to 45.00

Purchase and Supplies.—There is a central Purchasing Division in Harrisburg that contracts for most of the materials and supplies. The Medical Director of each institution, however, has authority to go into the local market for special supplies, particularly food stuffs when, in his opinion, he is able to get a

superior article at a saving in cost. If he purchases for cash he submits his vouchers and receipts, which are accepted by the Purchasing Division as requisitions. This flexibility in method appears to have worked well.

Accounting.—Within the present year a complete inventory of real and personal property at the three sanatoria has been completed. A new accounting system has been put in operation at Mont Alto and Hamburg and will also be installed at Cresson.

The per capita cost of maintaining patients at Mont Alto Camp from February 1, 1922 to August 31 inclusive is reported as \$2.043 per diem; and at Hamburg \$1.802 per diem. I have been unable to secure exact figures for Cresson but such information as is available would indicate that the cost is lowest at Cresson. The figures for the Veterans' Bureau are confused and should be studied in detail.

The per capita cost figures in the previous paragraph do not include the cost of Central Administration in the Divisions of Purchasing and Accounting. This would add six to eight cents per day per patient for Mont Alto Camp and Hamburg, and 21 to 22 for the Veterans' Unit.

It is the opinion of your investigator that the per capita cost, including the central accounting and purchasing costs (even at \$1,000 per month for each sanatorium unit), is as low as is consistent with good service and the demands of sound medical care and treatment, though as previously mentioned, a study of food supplies at Mont Alto is desirable.

Institutional Control.—The responsibility for and control of these institutions rests at present directly with the Commissioner of the State Department of Health. There are no boards of trustees. The Department of Health administers, sets the standards of treatment and supervises its own administrative work. This, it will be seen at once, is an unusual method in Pennsylvania and other states.

Now that there is a Department of Public Welfare the question naturally arises whether or not these institutions should be given the same status as other state institutions, viz.: that they should have a board or boards of trustees and be placed under the supervision of the Department of Public Welfare. Something may be said on both sides. It must be remembered in determining the

answer, that the tuberculosis sanatoria present problems differing from the other institutions.

The management of tuberculosis is a highly technical problem and because the disease is communicable it remains constantly a problem of the Department of Health. There being no specific medicinal treatment the therapeutics of the disease is chiefly hygienic, dietetic, and educational. Practically every phase of administration affects the course of the disease, either toward recovery or recrudescence. Moreover the treatment of patients in the institution is only a small part of the function of the State in the management of these cases. If the best results are to be obtained there must be very close relationship between the sanatoria and the dispensaries and public health nursing service throughout the state. The patient should be prepared for the state sanatorium in his home and in the county sanatorium which should be the "clearing house" for the state sanatorium. After his discharge he must be followed up in his home and industrial life. Undoubtedly the Board of Health is the logical agency to perform these services.

On the other hand the Department of Public Welfare will have the better machinery for general supervision of state institutions, particularly as regards fiscal matters (budget, accounting, stores records), physical plant, general maintenance, etc. The Board of Health would be released from the burdens of direct administration and free to carry on the more generally recognized functions of state health departments.

The Department of Public Welfare has existed only about one year. It has not wholly found itself. Its policies and procedure have not been crystallized. To place the tuberculosis sanatoria under its supervision at this time would, in our opinion, unnecessarily add to that Department's burden. It is recommended, therefore, that action be deferred until the end of the coming biennium.

If and when a change is made it is suggested that careful consideration be given as to whether there should be one Board of Trustees for the three institutions or a Board for each institution; also to the appointment upon the Board or Boards by virtue of their office and with full voting power, the Director of the Depart-

ment of Public Welfare, the Commissioner of Health and the Director of the Division of Tuberculosis.

The Commissioner of Health should nominate the other members.

III. Division of Tuberculosis.

The Division has been under the direction of Dr. A. P. Francine for nearly three years. From sources outside the Department of Health we were informed that for more than a year after the present Commissioner took office there was a very unsettled state of affairs in the Division of Tuberculosis. Dr. Francine's knowledge of tuberculosis and his previous experience in clinic service made it possible to organize his Division on a sounder basis.

His announced purpose has been:

1. To cut down unwise and improper expenditure.
2. Thus to save money to enlarge the scope of this service, that is, to carry it to localities that were not being reached as is necessary.
3. To increase the actual working efficiency of the Dispensary services.
4. To promote and stimulate extra-departmental effort through Anti-Tuberculosis and other philanthropic bodies.
5. To inaugurate and stimulate local counties to provide sanatorium accommodations for their own tuberculous sick, particularly the far-advanced cases near their own homes.

As of October 31, 1922, he reports the following results:

1. It appeared clearly improper for the Department to pay rents and certain other charges for its Dispensaries, that is, to support entirely a local institution run for local community welfare. The campaign was undertaken to show local communities the part they should bear and the response they should make. This met with uniform success and was accomplished without the closing of a single clinic. The Department was relieved of a monthly overhead charge for rent, etc., which meant a very material reduction in its budget, and amounted in 1922 to \$23,809.92.

Rents were taken off in 44 Dispensaries.

2. This enabled the Department to proceed with the essential work of carrying this service to other communities, with the result that 22 new clinics were opened without overhead charges to the Department. The Department pays the doctors a moderate fee and furnishes supplies (sputum cups and napkins, a few simple drugs, and the necessary forms).

3. Dispensaries were quite widely inspected and the personnel instructed in exact detail of their work and in 19 cases the physicians in charge were relieved and replaced by younger, capable men interested in the work. It is not out of place to add that the Chiefs of our clinics are showing a wide interest, not only in tuberculosis work, but in broader aspects of public health work, and are recognized everywhere as among the most active successful members of the profession, and the most useful in community welfare.

Here it may be pointed out that in 1918, with 114 clinics, there were 71,048 dispensary visits; while in 1921, with 94 clinics, there were 71,696 visits.

Outlining the dispensary report for 1919, 1920, 1921, and first six months of 1922, the figures are as follows:

1919.

In 1919 there were 70,000 dispensary visits. These visits were made by a total of 15,158 individual cases, and there were on hand at the beginning of 1919, 6,785 cases. There were 114 clinics.

1920.

In 1920 there were 72,932 dispensary visits. These visits were made by a total of 15,936 individual cases, and there were on hand at the beginning of 1920, 6,942 cases. There were 98 clinics.

1921.

In 1921 there were 71,696 dispensary visits. These visits were made by a total of 17,706 individual cases, and there were on hand at the beginning of 1921, 5,290 cases. There were 94 clinics.

1922.

On June 30th there were 37,795 dispensary visits. These visits were made by a total of 10,870 individual cases, and there were on hand at the beginning of 1922, 4,229 cases. There were 93 clinics. (From Francine Report.)

It will be noted that for the first six months of 1922, with fewer clinics, more work has been done proportionately, and since June sixteen new clinics have been opened and put into working order.

This Division has had much to do with formulating legislation for county sanatoria and is developing a sound policy for the development of these institutions.

Abolishment of Material Relief.—The Commissioner stated also that:

In February, 1919, the Department would no longer supply milk to tuberculous patients. Since that period incident to the activity of our nurses, 25,579 quarts of milk were donated by philanthropic individuals, charitable organizations, etc. Through our nurses, \$239,172.74 was also donated during the years 1919, 1920, 1921 and up to and including September, 1922, for increased food supply, milk, eggs, ice, rent, transportation to sanatoria, medicine, etc. (over and above the 29,579 quarts of milk above mentioned).

Development of Mixed Clinics.—Until this present administration the state clinics were exclusively for tuberculosis. Now combined with them in many places are venereal and child welfare clinics. As a result of this, the tuberculosis work has suffered. Your investigator learned that some of the nurses were able to make about one-third as many tuberculosis visits as before the venereal and child welfare service was thrust upon them.

With so much new work, without a proportionate increase in the number of nurses, and often without any clerical help whatever, the dispensary records have been neglected. The social history records are entirely neglected. Dispensary records are generally a fair index of service. Poor records usually mean poor work.

Public Health Nursing.—There are about 148 nurses in the employment of the State Department of Health, most of them connected with the 109 dispensaries. These nurses are doing direct public health nursing.

This whole policy of direct dispensary administration and direct public health nursing is, in the opinion of your investigator, unsound. The local community and the county are the governmental units that should assume responsibility for the actual care and treatment of the tuberculous. The State Department of Health should be the standard-making, supervising and stimulating agency.

It is recommended that every effort should be made to induce local units to assume responsibility for the clinics. It is particularly important that the clinics in the larger cities should be taken over by local departments of health.

To assist in bringing this about it is suggested that legislation be sought, making it possible to pay modest subsidies to those dispensaries meeting certain standards of efficiency. Such subsidies should be based upon the number of cases appearing for first examination and visiting thereafter as actual reported cases of 'tuberculosis.

The number of nurses in the Division of Public Health Nursing should be gradually reduced to a number sufficient to supervise public health nursing in the State plus ten or twelve for sick and vacation relief and for emergency service during catastrophes or epidemics.

IV. Bovine Tuberculosis Situation in Pennsylvania.

Bovine tuberculosis work in Pennsylvania is under the Pennsylvania Department of Agriculture, Bureau of Animal Industry, Division of Tuberculosis Eradication.

State Herds.—All state-owned herds (13 in number), except one, have been tested and are on the accredited herd list.

Total herds under observation November, 1922, were 3,271. Total cattle under observation November, 1922, were 52,785.

Testing Methods.—On first examination single tests are made. In all subsequent testings a combination of two out of three approved tests—subcutaneous, intradermal, conjunctival—are used.

Percent of affected cattle in the herds thus far examined averages about twelve.

Policy of the Pennsylvania authorities in doing eradication work is:

- I. Test and take out of herd all reactors.
- II. "Follow up" these measures by thorough supervision, and keeping herds clean after they have once been tested and cleaned up.

Note—"Immediately after removal of condemned cattle from premises, the owner is required to thoroughly clean the buildings and premises exposed to infection. At a date agreeable to the owner and agent, the premises will be disinfected under the supervision of a state agent. At present, the Bureau is furnishing the disinfecting material free of charge."

Pure Bred Cattle on Accredited List.—Thus far about $\frac{1}{4}$ of the pure bred herds in the state are under supervision of this Division of the Bureau of Animal Industry.

Loss Sustained by Owner of Condemned Cattle.—“Condemned cattle are appraised at their market value as agreed between owner and agent. The law limits the payment of indemnity by the state to \$70.00 for a registered and \$40.00 for an unregistered animal. The law limits the Federal Bureau to paying not more than \$50.00 for a registered and \$25.00 for an unregistered animal. The owner cannot receive from all sources, i.e., the State, the Federal Government, and the butcher, more than 90% of the market value as established by the owner and agent.”

Milk Ordinance Regulations.

State Law.—Only one State Law in Pennsylvania has been passed and this relates to the amount of butter fat required as the minimum standard before milk can be sold to the public. The minimum standard is $3\frac{1}{4}\%$ butter fat. The law is called “Milk and Cream Act,” and was approved on the 8th of June, A. D. 1911—P. S. 712.

Model milk ordinance regulations have been gotten out by the State Department of Health; they are for the use of cities, boroughs and townships of the first class, in the preparation of local milk ordinances.

Model ordinance provides for 3 grades of milk.

1. Certified milk (from tuberculin-tested cows).
2. Grade A milk (Raw).

Note A.—Grade A milk (Raw) to meet standard set up by model ordinance, the maximum number of bacteria allowed in this grade of milk is 100,000 colonies per cubic centimeter, when inoculated into standard agar. Or 500,000 individual bacteria per c.c. when observed directly under microscope.

3. Pasteurized milk.

Note B.—Milk pasteurized to meet standard set up by this model ordinance must be held at a temperature of 145° F. for 30 minutes.

A bonus is paid at the State Sanatoria for milk that is lower in its bacterial count and higher in its butter fat than the standards set in the model ordinance.

V. Subventions to Private Institutions.

By direct appropriation the legislature, Sessions of 1921, granted subsidies to the following institutions for the treatment of tuberculosis:

	Biennium
Eagleville.....	\$80,000
Rush Hospital.....	70,000
Tbs. League of Pittsburgh.....	27,000
West Mountain	
Scranton.....	7,200
Grand View	
Oil City	4,500
Bells Camp	
McKean Co.....	4,500
Neversink	
Berks Co.....	5,000
	<hr/>
TOTAL.....	\$198,200

The question of subsidies will be considered more in detail by another investigator. Since, however, the problem of tuberculosis is involved, we beg to express the opinion that the practice of granting direct aid to local private or philanthropic agencies is unsound in principle.

It is recommended that subsidies to private institutions treating tuberculosis be reduced for the coming biennium and as soon thereafter as possible entirely cut off, giving these institutions reasonable time in which to readjust themselves to a different policy.

* * * * *

In conclusion, your investigator desires to say that, in his opinion, the present administration has adopted generally sound policies for the conduct of the tuberculosis work in the State; has

done much to improve the three State sanatoria, both as to physical plant and management; is now installing a better system of accounting; has promoted excellent legislation; has organized the clinics on as sound a basis as central control will permit; and has fostered public health education in an interesting and useful manner.

A Financial Survey
of the
State Penal and Correctional
Institutions in Pennsylvania

A REPORT TO THE CITIZENS' COMMITTEE
ON THE FINANCES OF THE STATE
OF PENNSYLVANIA

By

LOUIS N. ROBINSON
SWARTHMORE, PA.

DECEMBER, 1922

Acknowledgments.

The Citizens' Committee on the Finances of the State of Pennsylvania was appointed by Gifford Pinchot, then Republican nominee for Governor of the State of Pennsylvania, for the following purposes:

- (1) To secure and consider the best available figures showing the money income of the state from all sources during the current biennial fiscal period; to secure and consider the best available figures showing the probable total revenue from all existing sources during the next biennial fiscal period; and to make needful recommendations as to sources of revenue and methods of taxation, with the object of avoiding additional or unnecessary burdens upon the people of the state.
- (2) To inquire into the expenditures of all monies appropriated for any purpose by the legislative session of 1921; to consider the necessity for such expenditures; to estimate the probable deficits, where such exist; and to make needful recommendations for the more economical and effective expenditure of the state's funds.
- (3) To examine into the present methods of appropriating and expending the money received by the state from all sources; to make recommendations as to the fiscal policies of the state; and to propose a form of budget that will assist in preventing the appropriation of monies in excess of the probable revenue.

The Committee in undertaking its responsibilities early decided that it was advisable to have special surveys made of the spending policies of each of the larger departments through an expert peculiarly qualified in each respective field.

The Committee chose for the expert to make the survey of the fiscal policies of the State Penal and Correctional Institutions in Pennsylvania, Louis N. Robinson of Swarthmore, Pa. Dr. Robinson has devoted a great part of his life to the study of prison problems. His "History and Organization of Criminal Statistics" is the standard on that subject, and his textbook "Penology in the United States" (1921) contains the only detailed discussion

published in book form on the relation of prisons to the executive and other departments of state government. He has been on two Pennsylvania prison commissions. He served three years in the Municipal Court of Philadelphia as executive in charge of nearly two hundred probation officers. At the present time, he is engaged in making a survey of the small loan business in the United States for the Russell Sage Foundation.

Inasmuch as there are many important phases of public policy entering into each of these spending policies it was deemed advisable to associate with each of the experts an advisory committee to add their judgments to the matter at hand.

The members of the Advisory Committee on State Penal and Correctional Institutions are Mrs. Harrison S. Morris of Philadelphia, Pa., Chairman; Thomas Mott Osborne of Albany, N. Y., T. Henry Walnut of Philadelphia, Pa., Calvin W. Derrick of the New Jersey State Home for Boys, Jamesburg, N. J., Mrs. Edward Biddle of Carlisle, Pa., and Benjamin H. Renshaw of Philadelphia, Pa.

Professor Leon Henderson, of the Carnegie Institute of Technology, assisted in gathering data for the report.

These surveys by experts are made as reports to the Committee and the Committee has immediately released them for publication. The Committee, of course, cannot and does not take credit to itself for either the work or the recommendations. Credit in these matters is due solely to the expert and those who have advised with him.

The Citizens' Committee on the Finances of Pennsylvania.

Clyde L. King, Chairman	Hon. D. Edward Long
Charles J. Rhoads, Treasurer	General Asher Miner
Mrs. Walter King Sharpe, Secretary	Mr. T. D. Stiles
Hon. Franklin Spencer Edmonds	Mrs. William Thaw, Jr.
Hon. John S. Fisher	Mrs. Barclay H. Warburton
Mr. Leonard P. Fox	Mr. Frank P. Willits
Mr. Allen W. Hagenbach	Hon. George W. Woodruff
Mr. Alba B. Johnson	Hon. George Woodward
Mrs. Mary Flinn Lawrence	Mr. Paul D. Wright

Summary of Recommendations.

1. That the powers of the Bureau of Restoration in the Department of Public Welfare be enlarged so as to include the management and control of our state penal and correctional institutions, retaining the present individual boards as boards of inspection.
2. That the Bureau of Restoration install a uniform system of accounting in all the institutions, and require a strict accounting of all property each year.
3. That the Bureau of Restoration investigate the present inequalities in salaries, number of employees, per capita cost of maintenance, that now exist in the various institutions.
4. That the Bureau of Restoration be given supervisory power over probation and parole.
5. That an appropriation be made to the Bureau of Restoration to equip shops at Huntingdon, Eastern Penitentiary, Penitentiary at Rockview, and Western Penitentiary.
6. That the purchase of prison-made goods be made compulsory on the part of state, counties, municipalities, and institutions to whom the Bureau of Restoration can now sell its products. If this is not done, that the Governor use his influence to interest these in the purchase of prison-made goods. In the case of private institutions receiving state subsidies, the recommendation is that the subsidy be in so far as feasible an order on the Bureau of Restoration for goods.
7. That the Bureau of Restoration be given control over the industries at the State Hospital for the Criminal Insane.
8. That the state appropriate money for the purchase of a farm for the Eastern Penitentiary.
9. That the state appropriate sufficient money to provide for the completion of the cell block now under construction at Rockview, and for shops.
10. That an appropriation be made for an additional shop at the Western Penitentiary.
11. That a sanatorium for the tubercular prisoners be built at Rockview, or at Farview.

State Institutions For Delinquents.

The state institutions (as distinct from private or municipal or county) that care for delinquents are:

Pennsylvania State Training School, Morganza.
 Pennsylvania Industrial Reformatory, Huntingdon.
 State Industrial Home for Women, Muney.
 Eastern State Penitentiary, Philadelphia.
 Western State Penitentiary, Pittsburgh.
 Western Penitentiary, Rockview, Centre County.
 State Hospital for the Criminal Insane, Farview.

To these should properly be added Glen Mills Schools, a private institution, but one which serves the Eastern part of the state in the same capacity as does the Pennsylvania State Training School in the Western part. Though a private corporation, two members of its board of twenty-five are appointed by the mayor and three by the Court of Common Pleas of Philadelphia. It has received large gifts from private benefactors and at the same time appropriations have been made to it by the state. All the other institutions are pure state institutions. The Western Penitentiary at Rockview was originally planned in 1911 as a new site for the Western Penitentiary. But in 1915 an act was passed to combine the Eastern and the Western Penitentiaries and to move both to Rockview. At the present time there are about 650 prisoners at Rockview, most of whom have been received from the Western Penitentiary at Pittsburgh.

COST OF CARING FOR DELINQUENTS A JOINT CHARGE ON STATE AND COUNTIES.

In Pennsylvania, the total cost of caring for prisoners in all these institutions is shared by the state and the counties. Roughly speaking, with the exception of Glen Mills and the State Hospital for the Criminal Insane, the counties pay for maintenance, and the state provides the grounds and the buildings and pays the salaries of all officials, not, however, including the salaries of foremen working under the direction of the Bureau of Restoration of the Department of Public Welfare, nor those of farm foremen, which are charged to maintenance. In the case of Glen Mills Schools only one-half of the cost of maintenance is levied on the counties; the other half of the cost of maintenance is borne by the state. Why this difference exists between the treatment of Glen Mills

and the Pennsylvania State Training School is not clear. By paying one-half the cost of maintenance at Glen Mills, the state is not helping the institution but the Eastern counties. Why they are to be treated better than the Western counties is a puzzle. The state also pays half the cost of maintenance for the patients in the State Hospital for the Criminal Insane.

There seems to be a small twilight zone between state and county expenditure that needs to be cleared up. One instance was brought to my attention of an institution that divided the hours of labor of an employee into fractions so that the state appropriation would be entirely absorbed. The Department of Public Welfare requested an opinion from the Attorney-General as to which expenses are chargeable to the state and which to the counties, but was told that no general opinion could be given. As it now stands, the Auditor-General's Department uses the wording of the original appropriation grant as the basis of determining whether or not an expense contracted by the institution is properly chargeable to the state.

The Auditor-General's Department audits the vouchers for expenditures incurred under appropriations. The accounts are sent to the Harrisburg office, but the actual comparison of vouchers is made by a traveling auditor at the institution itself.

The county audit of money expended for maintenance, from which is obtained the per diem rate charged to counties, is regularly done by a private firm of accountants at the instance of the individual institution, and the cost charged to the counties. All that appears in the main report of the institutions are the totals of the different accounts, officers, maintenance, etc., and the gross total is divided by the number of prisoner days to arrive at the per diem maintenance charge.

The state never audits the entire accounting of the institution. The position has been taken, and firmly maintained, that the state had no interest in the maintenance charge, and the counties no interest in what was charged to the state appropriations.

Moreover, each institution maintains a different system of book-keeping and of accounts. The terminology is different in each case, and proper data for comparison can be obtained only with great difficulty. What is needed among other things is a uniform system

of accounting, and a uniform method of reporting to the Department of Public Welfare.

THE STATE HAS THE BEST OF THE BARGAIN.

The full significance of this peculiar arrangement of dividing the cost of caring for offenders between the state and the counties can be fully appreciated only when one stops to think what the situation will be when all the prisoners are fully engaged in productive work. Under the present law, whatever profit is made by the Bureau of Restoration in carrying on the prison industries is turned into a revolving fund, known as the Manufacturing Fund, and is thus added to the appropriations made by the state for the purchase of machinery, raw material, etc. Ultimately, we may assume that the need for further expansion of the prison industries will cease when the plants have been enlarged to the point where all prisoners can be employed. If the prison industries are carried on in a reasonably efficient manner, there ought then to be a fair possibility of making at least the penitentiaries self-supporting, possibly the reformatories also. But to whom will go all returns? Under the present arrangement, all profit goes into the Manufacturing Fund, and presumably, if it is not needed there, it will be turned back to the state. In other words, no matter how successful the prison industries may become, this will not affect the burden of maintenance which the counties now bear. No doubt, this whole arrangement of dividing up the total expense between state and counties is based on the supposed analogy of prisoners to the insane and the feeble-minded, that is, on the idea that the care of prisoners must be forever a total dead weight on the public. With the newer conception that this need not be, if only common sense is used, the question is: which party, the state or the counties, should be relieved of the burden?

THE BURDEN ON THE PUBLIC IN 1921 OF \$3,782,560.73.

The following table shows the biennial appropriations made by the state to each of the eight institutions for the last four biennial periods:

Institutions	1915	1917	1919	1921
Eastern State Penitentiary.	\$259,846.85	\$368,157.19	\$425,715.37	\$440,385.00
Western State Penitentiary	360,500.00	455,552.77	603,955.61	661,923.65
Western Penitentiary, Rockview, Centre Co....	300,000.00	500,000.00	500,000.00	300,000.00
Pennsylvania Industrial Reformatory	261,461.00	304,850.00	343,680.00	411,473.00*
State Industrial Home for Women.....		130,000.00	180,000.00	204,100.00*
Glen Mills Schools.....	305,500.00	348,331.00	500,000.00*	603,178.00*
Pennsylvania State Training School.....	207,300.00	230,000.00	289,520.00	259,200.00
State Hospital for Criminal Insane.....	358,500.00*	194,500.00	209,500.00*	207,000.00**
Total.....	\$2,053,107.85	\$2,531,390.96	\$3,052,370.98	\$3,087,259.65

*Includes deficiency appropriation.

**Includes deficiency appropriation and re-appropriation.

The total cost of maintenance borne by the counties is shown in the following table:

TOTAL MAINTENANCE CHARGE LEVIED ON THE COUNTIES.

	Eastern State Penitentiary	Western State Penitentiary *	Pennsylvania Industrial Reformatory	State Industrial Home for Women
1917.....	\$213,033.13	\$325,553.13	\$105,589.65	.....
1918.....	259,201.38	371,521.27	118,794.74	.....
1919.....	296,568.00	401,161.23	165,597.28	.....
1920.....	368,497.92	398,901.65	165,096.14	\$4,651.92***
1921.....	313,925.22	361,856.18	114,197.02	18,986.96***
	Glen Mills Schools	Pennsylvania State Training School	State Hospital for Criminal Insane	
1917.....	\$133,282.43*	\$124,759.54	\$46,800**	
1918.....	170,913.61*	146,059.07	53,560**	
1919.....	176,464.56*	187,142.77	58,500**	
1920.....	187,963.01*	204,259.64	65,000**	
1921.....	202,639.01*	197,668.83	85,800**	

*This is only one-half the cost of maintenance as the state bears the other half.

**Obtained by multiplying the average number of patients by weekly charge. This also is only one-half the cost of maintenance as state pays half in case of hospitals.

***Figures are for the period June 1 to June 1.

By combining the state appropriations and the maintenance charges levied on the counties, some idea of the total cost of these institutions for the two biennial periods 1917-1918 and 1919-1920 may be obtained:

STATE AND COUNTY CHARGES 1917-18 AND 1919-20.

1917-1918

Institution	State Appropriation	County Charge	Total
Eastern State Penitentiary	\$368,157.19	\$472,234.51	\$ 840,391.70
Western State Penitentiary	455,552.77	697,074.74	1,152,627.51
Western Penitentiary in Rockview.....	500,000.00	.....*	.....
Pennsylvania Industrial Reformatory.....	304,850.00	224,384.39	529,234.39
State Industrial Home for Women.....	130,000.00	.....**	.....
Glen Mills Schools.....	348,331.00	304,196.04	652,527.04
Pennsylvania State Training School.....	230,000.00	270,818.61	500,818.61
State Hospital for Criminal Insane.....	194,500.00	100,360.00	294,860.00

1919-1920

Eastern State Penitentiary	\$425,715.37	\$665,065.92	\$1,090,781.29
Western State Penitentiary	603,955.61	752,632.50	1,356,588.11
Pennsylvania Industrial Reformatory.....	343,680.00	330,693.42	674,373.42
Western Penitentiary in Rockview.....	500,000.00	.....*	.....
State Industrial Home for Women.....	180,000.00	4,651.92**	184,651.92
Glen Mills Schools.....	500,000.00	364,427.57	864,427.57
Pennsylvania State Training School.....	289,520.00	391,402.41	680,922.41
State Hospital for Criminal Insane.....	209,500.00	123,500.00	333,000.00

*Cost of maintenance at Rockview included in figures for Western Penitentiary.

**Not opened until June 1, 1920.

To these totals should properly be added, of course, an interest charge on the plants. Year after year, the state has made appropriations to these institutions until on September 15, 1922, the property represented by these appropriations constituted the huge investment of \$14,897,628.13, a fact seldom taken into account in estimating what it actually costs to keep a prisoner in an institution. These institutions, moreover, gradually become out of date, and the whole plant may have to be scrapped, usually with a loss of large proportions.

PROPERTY INVESTMENT.¹

	Personal	Real Estate	Total
Pennsylvania State Training School.....	\$599,651.85	\$5,904,839.40	\$6,504,491.25
Pennsylvania Industrial Reformatory.....	267,001.78	1,173,958.43	1,440,960.21
State Industrial Home for Women.....	20,609.42	92,356.28	112,965.70
Eastern State Penitentiary	135,000.00	2,000,000.00	2,135,000.00
Western State Penitentiary	66,627.90	1,656,561.50	1,723,189.40
Western Penitentiary, Rockview.....	258,729.75	1,525,148.64	1,783,878.39
State Hospital for the Criminal Insane.....	143,045.90	1,054,097.28	1,197,143.18
	\$1,490,666.60	\$13,406,961.53	\$14,897,628.13

¹Inventory of Real Estate and Personal Property of the Commonwealth of Pennsylvania, compiled by the Pennsylvania Department of Internal Affairs for the Commission for the Reorganization of the State Government, September 15, 1922.

There seems to be now no scheme of accounting yearly for property that will insure the retention of ownership by the state of property purchased by it. When property has been purchased by the state, there is no reason why it should not be subjected to the same care and impose the same responsibilities upon state custodians as money. Inventories are now made sporadically of all state-owned property. The latest one was made in 1922 and the previous one eight years prior to this. But whether there was any attempt on either occasion to reconcile these inventories with the vouchers showing the purchase of property during current periods, I do not know. The officer receiving state property should be required to render yearly an accounting of all property purchased, somewhat after the plan used by the United States Army in accounting for ordnance, quartermaster, medical, signal and other supplies.

The total amount spent for prisoners in institutions each year constitutes a tremendous burden on the tax-payers of the state. We must remember, too, that no consideration is given here to the cost of maintaining county and municipal prisons, unquestionably an additional burden of great magnitude. We may well ask whether this amount is necessary and whether the state is getting a corresponding return. The penitentiaries in Minnesota, Texas, Louisiana, South Carolina, and West Virginia are in the main self-supporting, but in Pennsylvania there is idleness and waste.

TOTAL COST FOR THE YEAR 1921.

Institution	State Appropriation ¹	County Charge	Total
Eastern State Penitentiary	\$220,192.50	\$313,925.22	\$534,117.72
Western State Penitentiary	330,961.82	361,856.18	692,818.00
Western Penitentiary Rockview.....	150,000.00	.....	150,000.00
Pennsylvania Industrial Reformatory.....	205,736.50	114,197.02	319,933.52
State Industrial Home for Women.....	102,050.00	18,986.96	121,036.96
Glen Mills Schools.....	301,589.00	202,639.01	504,228.01
Pennsylvania State Training School.....	129,600.00	197,668.83	327,268.83
State Hospital for the Criminal Insane.....	103,500.00	85,800.00	189,300.00
	\$1,543,629.82	\$1,323,755.36	2,838,703.04
Inventory Value of Institutions		Interest on Inventory at 6%	
\$14,897,628.13		\$893,857.69	893,857.69
Appropriation to the Manufacturing Fund.....			3,732,560.73
			50,000.00
			\$3,782,560.73

¹One half of biennial appropriation.

The following table gives the average number of prisoners for the years 1917 to 1921 (inclusive):

	Eastern State Penitentiary	Western State Penitentiary *	Pennsylvania Industrial Reformatory	State Industrial Home for Women**
1917.....	1424	1153	581	.....
1918.....	1392	1230	597	.....
1919.....	1504	1334	771	.....
1920.....	1573	1277	729	32.6
1921.....	1592	1564	679	56.5
		1820***		

	Glen Mills Schools	Pennsylvania State Training School	State Hospital for Criminal Insane	Total
1917.....	1184	502	360	5204
1918.....	1347	534	412	5512
1919.....	1331	637	450	6027
1920.....	1201	619	500	5932
1921.....	1064	656	550	6162

*Includes Western Penitentiary at Rockview.

**First inmate admitted October 18, 1920.

***To October 31, 1922.

By dividing the total cost for the year 1921 by the average number of prisoners, an average cost per prisoner of \$613.85 is obtained. While the total cost includes appropriations for new buildings it must be remembered that a wise prison policy for Pennsylvania will call for new construction work for a great many years to come; hence the total cost and the average cost per prisoner here given is a fair index of the situation.

NO UNIFORMITY IN COSTS.

It was impossible in the short space of time at my disposal to make such detailed investigation of the institutions as would warrant me in stating whether or not more businesslike methods could be introduced in running the institutions. A detailed investigation that would yield this kind of information would take a large staff at least several months to complete. There are, however, certain rough and ready comparisons that can be made which should be carefully considered.

COMPARISON OF SALARIES OF OFFICERS AT THE EASTERN AND
WESTERN PENITENTIARIES:¹

The Warden of Western receives \$9500

“ “ “ Eastern “ \$7500

The Deputy Warden at Eastern gets \$3500

“ “ “ Western “ \$2700

The Night Deputy at Western gets \$2185

“ “ “ Eastern “ \$1600 (Known as “Captain of Night Guards”)

Wardens and Asst. Wardens at Eastern cost \$17,700

“ “ “ “ Western “ \$23,607

Parole Officers at Eastern cost \$8069

“ “ “ Western “ \$3180

Western has entirely different rates for paying physicians than Eastern.

Clerical work at Eastern costs \$16,050

“ “ “ Western “ \$31,460

Moral instruction at Eastern costs \$500

“ “ “ Western “ \$6760

One chaplain at Western draws \$3300 a year.

An electrician at Western is paid \$3300

“ “ “ Eastern “ \$1400

There are many positions listed on Eastern's payroll that do not appear on Western's, and vice versa.

As a rule, the cost at Western for each class of salaried employees is higher than that at Eastern.

The average rate of pay for day guard at Eastern was \$1200

“ “ “ “ overseer “ Western “ \$1600

“ “ “ “ “ “ Eastern “ \$1400

“ “ “ “ “ “ night guard “ “ “ \$1100

The total appropriation for salaries and parole work in 1921 and 1922 for the Eastern Penitentiary was \$350,000; for the Western Penitentiary \$590,000.² The per capita overhead of this one item consisting almost entirely of salaries per prisoner for the Eastern Penitentiary in 1921 was \$109; for the Western Penitentiary \$188.

¹Based on payroll of May, 1922.

²Includes also an appropriation for electrocution department.

It is interesting, too, to note the differences in the charges levied on the counties for maintenance at the various institutions. This per capita charge is obtained, as has been said, by dividing the total cost of maintenance by the number of prisoner days:

DAILY COST OF MAINTENANCE PER CAPITA.

	Pennsylvania State Training School	Glen Mills Schools	Pennsylvania Industrial Reformatory	State Industrial Home for Women
1917.....	\$0.678	\$0.67**	\$0.48	.....
1918.....	0.728	0.7373**	0.53	.....
1919.....	0.797	0.751**	0.58	.....
1920.....	0.891	0.8873**	0.61	\$0.63
1921.....	0.799	1.1175**	0.45	0.92

	Eastern State Penitentiary	Western State Penitentiary	State Hospital for Criminal Insane
1917.....	\$0.41	\$0.7725	\$0.714**
1918.....	0.51	0.8268	0.714**
1919.....	0.54	0.7237	0.714**
1920.....	0.64	0.8552	0.714**
1921.....	0.54	0.6988 0.6541*	0.857**

*To October 31, 1922.

**Obtained by multiplying the county charge by two, since only one-half of maintenance is paid by the counties.

The low per capita cost at the Eastern Penitentiary is hard to understand in view of the fact that the Huntingdon Reformatory and the Western Penitentiary have each a farm and now produce a large part of the farm products used by them. The entire cost of equipping the farm at Rockview with machinery, live stock and farm buildings has been charged to the counties and has undoubtedly helped to swell the per capita charge for maintenance at the Western Penitentiary, but Huntingdon Reformatory has been running a farm for years and should have succeeded by this time in bringing up the efficiency of the farm to the highest point of productivity.

THE LABOR PROBLEM AND THE WASTE OF HUMAN MATERIAL.

By far the most serious problem of our state institutions for delinquents, we believe to be the unemployment of the prisoners at the Eastern and the Western Penitentiaries and at Huntingdon Reformatory. The following tables indicate the character and extent of the work now being carried on:

During the month of September, 1922, the following number of prisoners were employed:

Eastern Penitentiary		Western Penitentiary		Huntingdon Reformatory	
Industry	Men	Industry	Men	Industry	Men
Hosiery and Underwear.....	83	Weaving.....	139	Tag.....	162
Shoe.....	129	Broom.....	6	.....	.....
Weaving.....	42	Brush.....	3	.....	.....
Sewing.....	12	Clothing.....	29	.....	.....
Printing.....	28	.....	.....	.....	.....
Total.....	294	.....	177	.....	162

The total volume of business for the twelve months ending August 31, 1922, amounted to \$440,934.53, almost half of which came from the manufacture of license tags alone.

TOTAL NUMBER OF PRISONERS AND NUMBER OF THOSE EMPLOYED IN PRODUCTIVE WORK UNDER THE BUREAU OF RESTORATION.

	Total number of Prisoners October 1, 1922	Total Number Employed in September, 1922
Eastern Penitentiary.....	1719	294
Western Penitentiary.....	1224	177
Western Penitentiary (Rockview).....	652	...
Huntingdon Reformatory.....	739	162
	4334	633

While there is a total given of 633 prisoners now at work for the Bureau of Restoration, it must be realized that this number is large in proportion to the work done. In other words, more men are used in these particular industries than would be the case if there was plenty of other work for them to do.

In addition to these employed by the Bureau of Restoration, there are about 650 men at Rockview engaged in farming, construction work and institutional work. Huntingdon Reformatory also employs about 60 boys on its farm; and there is of course institutional work at both the Eastern and the Western Penitentiaries.

There still is, however, a large body of men in the three institutions who are not now at work and who should be. Even at Huntingdon Reformatory where trades are taught there is great need of industries to supplement the training that is now given.

For example, stone cutting and carpenter work should follow the instruction in these trades. Aside from the financial foolishness of keeping these men in idleness, it is a grave detriment to the men. We quote from the Report of the Penal Commission made in 1915:

A brief scrutiny of the figures relative to the employment of prisoners in Pennsylvania reveals the fact that detention in idleness is the fate that awaits the majority of convicted criminals in Pennsylvania. Probably no state in the Union has as many idle prisoners as does our own state.

The seriousness of this situation cannot be over emphasized.

From the financial point of view no policy could be more silly than that of supporting in idleness the thousands of prisoners who make up the never-ending stream of humanity that pours through our penal institutions. The combined plants represent an enormous outlay of capital, and the annual maintenance cost alone lays a burden of no mean magnitude on the tax-payers of the state. This policy of idleness has no justification either in theory or in fact. It is partly the result of the attempt to eliminate the competition of prison-made goods, and partly the inevitable outcome of our present system of institution for misdemeanants.

But the financial point of view is by no means the deciding factor. If it could be shown, as in the case of the institutions for juvenile delinquents, that the entire time of these unfortunate members of society was spent in ways certain to benefit them physically, mentally and morally, to the lasting good of society, no one would object to the size of the bill. Unfortunately, no such rosy picture of our institutions can be accepted as true to the facts. Here and there, exceptional wardens or keepers have tried to do this very thing, but they have been frightfully handicapped by the law or by the nature of the institutions under their charge. Great credit must be given them, but they are the type of men who need not praise but help, which the legislature alone can give.

What can be said in defense of a system which condemns a man to complete idleness in a cell! No more diabolical punishment could be invented. It is a sentence to gradual dissolution and decay. It means the physical, mental and, in many cases, the moral degeneration of the prisoners. After such a condition has been arrived at, is it any wonder that a prisoner returns to crime and becomes a recidivist? Instead of profiting by the discipline of work, he loses his desire to work and comes to the conclusion that society must owe him a living, a perfectly natural conclusion in view of his experience as a boarder of the state from whom nothing was expected.

But perhaps the greatest danger in this policy of idleness lies in its effect on family life. Many prisoners have been, prior to their conviction, members of a family group the support of which has rested largely or entirely on their shoulders. Compelled to endure months or perhaps years of inactivity, with no chance to contribute through their effort to the economic welfare of their family group, they must resign themselves to the fate which has overtaken them. Private or public charity must come forward and take up the burden or become an unwilling witness of a disheartening struggle on the part of the remaining members to obtain a livelihood. When the state openly and with intent breaks the economic bond which united members of a family group, it has no right to criticise the results of this policy which appear in the various forms of desertion, divorce, and laxness in morals. The opportunity to work and the right to the products of his labor ought to be inviolate rights of every prisoner, if not for his sake, then for that of his family, and for that, above all, of the state.¹

¹*Employment and Compensation of Prisoners* (Harrisburg: Wm. Stanley Ray, State Printer, 1915), pp. 63-65.

PRISON LABOR IN PENNSYLVANIA SINCE 1897.

To understand why so many of these men are not at work it will be necessary to review briefly the history of prison labor in Pennsylvania since 1897. In that year, the use of machines operated by any power other than hand or foot power was prohibited in all penal and correctional institutions in the manufacture of goods for sale, and the employment of more than thirty-five percent of the whole number of inmates of any penal institution was prohibited.

In 1915, the Penal Commission reported as follows:

1. Penitentiaries: The Western Penitentiary employs its full quota of 35 percent in the production of goods for sale, while the Eastern Penitentiary employs but 17 percent for similar purposes. The Western Penitentiary reports that 56.4 percent of the inmates are employed in institution work; the number thus employed in the Eastern Penitentiary is given as 14 percent. The Western Penitentiary has, of course, an opportunity not open to the Eastern Penitentiary in that it can employ a large number of prisoners on its immense tract of land in Central Pennsylvania.

2. Reformatory: No goods are produced for sale in the Pennsylvania Industrial Reformatory at Huntingdon. The inmates are taught trades and are employed to some extent in the manufacture of goods for their own use and in serving the institution.

3. Institutions for Juvenile Delinquent: None of these institutions employ their inmates in the production of goods for sale. On the other hand, practically all are kept busy either in attending schools, in caring for the institutions, or in producing goods for their own use or that of the institution.

4. County Institutions: In forty-two of the seventy county institutions, the inmates carry on no work whatsoever, but are kept in complete idleness. Goods for sale are produced in twelve, but in only five of the twelve does there seem to be an attempt to employ in this way as many as the law allows. Three of the five, as was stated previously, employ more than 35 percent in the production of goods for sale. Twenty-six of the institutions employ some of the prisoners in other ways, mainly in caring for the institution. The Philadelphia House of Correction also assists certain departments of the city government. Three institutions report that they have done some road-work. On account of the lack of detail, it is impossible to state with any degree of accuracy the average percentage employed, taking the county institutions as a whole. In all probability, the figures overstate the amount of employment. Desultory employment is one thing, steady employment is another, and yet the figures fail to reveal this fact. One thing at least is certain. Idleness is the rule and effective economic enterprise a rare feature of the county institutions for criminals.¹

As a result of the report of the Penal Commission in 1915, a law was passed in that year creating a Prison Labor Commission and establishing the State Use System of Prison Labor.

¹ *Employment and Compensation of Prisoners* (Harrisburg: Wm. Stanley Ray, State Printer, 1915), pp. 16-17.

The Prison Labor Commission was composed of three members, one from the Board of the Eastern Penitentiary, one from the Board of the Western Penitentiary, and one from the Board of Huntingdon Reformatory. It was given entire charge of the industries in these three institutions and in "other correctional institutions hereafter established by this Commonwealth." Thus industries at Rockview and the State Industrial Home for Women will automatically come under the direction of the Prison Labor Commission, or the Bureau of Restoration as it is now known. Those of the State Hospital for the Criminal Insane should also have been brought under this Commission, but they seem to have been overlooked in planning the system.

In the language of the act:

All persons sentenced to the Eastern or Western Penitentiary, or to the Pennsylvania Industrial Reformatory at Huntingdon, or to any other correctional institution hereafter established by the Commonwealth, who are physically capable of such labor, may be employed at labor for not to exceed eight hours each day, other than Sundays and public holidays. Such labor shall be for the purpose of the manufacture and production of supplies for said institutions, or for the Commonwealth or for any county thereof, or for any public institution owned, managed, and controlled by the Commonwealth, or for the preparation and manufacture of building material for the construction or repair of any state institution, or in the work of such construction or repair, or for the purpose of industrial training or instruction, or partly for one and partly for the other of such purposes, or in the manufacture and production of crushed stone, brick, tile, and culvert pipe, or other material suitable for draining roads of the state, or in the preparation of road building and ballasting material.

In 1917, a second Commission to investigate the prisons of the state was created by act of the legislature and made its report in 1919. Referring to the labor situation existing in our prisons it says:

The law of June 1, 1915, providing a system of employment and compensation for the inmates of the Eastern Penitentiary, Western Penitentiary and the Pennsylvania Industrial Reformatory at Huntingdon, and creating a Prison Labor Commission to carry its provisions into effect, has proved almost wholly inoperative, owing primarily to the failure of the Legislature to provide for the compulsory purchase of prison-made goods by the Commonwealth or the political divisions thereof or by public institutions. As a consequence, out of a total population of 3200 in the three institutions to which the authority of the Commission extends, at the close of the year 1918 only 169 were employed under the direction of the Commission. These were distributed as follows:

Eastern Penitentiary, population.....	1,371
Caning chairs.....	16
Cigarmaking.....	11
Shoemaking.....	42
Knitting hosiery.....	38

	107
Absolutely idle.....	839
Western Penitentiary, population.....	720
Broommaking.....	10
Brushmaking.....	2
Weaving.....	18

	30
Absolutely idle.....	393
Huntingdon Reformatory, population.....	579
Auto-tagmaking.....	32

Whether considered as a relief from the crushing burden of expense that our penal establishments entail, or as a remedy for the physical and moral degeneration resulting from enforced idleness, or as a means to equip the inmates for lives of industry and usefulness after their release, a system of prison labor which produces the results set forth in these figures stands self-condemned.¹

This Commission called attention to a very important feature of the Pennsylvania law of 1915 that established the State Use System of Prison Labor. It has always been customary, in states that have introduced this system whereby the prisons have been prevented from selling their goods on the open market, to *compel* the state and its various subdivisions to purchase goods from the prisons provided they could furnish them. Pursuant to this policy the Commission of 1915 had embodied in their bill this clause:

No bills for any such articles or materials purchased for the use of said institutions, offices or departments, otherwise than from the Prison Labor Commission shall be approved, allowed or paid, unless it is accompanied by a certificate from the Prison Labor Commission, showing that it cannot supply the goods.²

The legislature did not see fit to enact this part of the bill, and while restricting the market on the one hand did nothing to make this a certain market through insistence on purchase.

The fact that the Prison Labor Commission had to hawk its goods from door to door was and has been undoubtedly a great handicap in the development of our prison industries. An improvement was made in the law in 1921. The Commission was given the further right to sell goods to city, borough, or township, and to any educational or charitable institution receiving aid from the

¹ *Report of Commission to Investigate Penal Systems* (Philadelphia: Allen, Lane & Scott, 1919). pp. 16-17.

² *Employment and Compensation of Prisoners* (Harrisburg: Wm. Stanley Ray, State Printer, 1915), p. 33.

Commonwealth. This change has broadened the market for prison-made goods and has undoubtedly afforded some relief to a bad situation.

In 1921 the State Department of Public Welfare was created, and the Prison Labor Commission was made a bureau of this Department. This Bureau is now called the Bureau of Restoration, and besides carrying on the prison industries of the state is charged with the inspection of state and local penal and correctional institutions.

The appropriations which have been made to the Manufacturing Fund since the creation of the Prison Labor Commission are shown in the following table:

APPROPRIATIONS TO THE MANUFACTURING FUND 1915-1921.

1915	\$ 75,000
1917	100,000
1919	75,000
1921	100,000
Total	\$350,000

REASONS FOR THE CONTINUED IDLENESS OF PRISONERS.

I am not inclined to assign the non-compulsory purchase clause as the sole reason for the great amount of unemployment existing in our prisons to-day. Undoubtedly, it contributed greatly to the difficulty of the situation, but there are other reasons.

In the first place the law of 1915 changed the system. Prior to this, the products of the small number of men who could be employed were sold on the open market; after 1915 the products had to be sold to the state or state institutions or counties. In other words an entirely new market had to be created. It was a market, too, that had to be taught to buy prison goods. The general notion is that prison-made goods are inferior in quality. The Prison Labor Commission was faced then with the task of selling its goods in a restricted market that was on the whole not interested in buying. Secondly, there does not seem to have been the co-operation between the various state departments and state institutions and the Prison Labor Commission that should have existed if the absence of the non-compulsory purchase feature was to be overcome by co-operation. It would seem that a governor interested in the problem of getting our prisoners at work might

do much not only with his cabinet chiefs but with the boards of individual state institutions whom he appoints. Thirdly, the Prison Labor Commission was an unpaid board. Under normal circumstances, it should have hired a first-class business man to develop the industries. But in addition to the difficulties already mentioned, there were the difficulties due to lack of adequate space for shops in the penitentiaries, to meagre state appropriations for machines and raw material, and to the old inertia that had been content to keep prisoners in more or less idleness since 1897. Taken together, these conditions seemed to dictate a go-easy policy in place of an energetic campaign to set the prisoners at work. During the last two years, a more vigorous policy has prevailed, but we have to chronicle the deplorable outbreak of prisoners at the Western Penitentiary which resulted in the burning of all the prison shops at this institution. We must keep in mind, too, that the Department of Public Welfare is charged with the supervision of state and local penal and charitable institutions, and the fact that a superintendent or individual in charge of an institution is on one day chided by the Department of Welfare for the condition of his institution does not make him an eager buyer from the same department on the following day.

THE FUTURE OF PRISON INDUSTRIES AND OF PENITENTIARIES IN PENNSYLVANIA.

In planning for the further increase of prison industries, there are several problems relating to general prison developments that need to be considered.

As originally planned, the tract of land in Centre County was to be the future home of the Western Penitentiary, but in 1915 a law (1915 P. L. 972) was passed looking toward the combination of the Eastern and the Western Penitentiaries in one institution under one management. The plans for the new Western Penitentiary were to be so modified as to provide larger or additional buildings of sufficient capacity for the accommodation of the present and the future inmates of the Eastern Penitentiary as well as of the Western Penitentiary.

At the present time, the buildings at Rockview comprise a death-house, a dining room, an uncompleted cell block of 500 cells and various farm buildings and shops. The dining room, now

used as a dormitory, has a seating capacity of 3,000, and the cell block is one of several proposed units totaling 3,000 cells. The distribution of the building is in the form of a square with the cell blocks forming the sides and the dining room in the centre of the square. It is planned, too, to build a high wall around this prison enclosing not only the cells, death-house, and dining room, but the shops that may be necessary for the industries.

It will take a new appropriation to complete the present cell block of 500 cells. The appropriations already granted to this institution amount to \$2,250,000 as shown below:

APPROPRIATIONS TO THE PENITENTIARY IN CENTRE COUNTY.

1911	\$300,000
1913	350,000
1915	300,000
1917	500,000
1919	500,000
1921	300,000

To build 2,500 more cells, a restraining wall, and the necessary shops, as now planned, will mean a further expenditure of millions of dollars for something which we do not want, and will add an unnecessarily heavy burden on the taxpayer for all time to come.

There is no question but that the state should appropriate sufficient money to complete the cell-block of 500 cells now under construction, but I oppose the appropriation of money for the construction of the remaining cell blocks or the restraining wall.

In the first place, I do not believe in building a city penitentiary, or what amounts to the same thing, in the country. I believe that there should be not one set of buildings, but groups of buildings located at different places on the farm, so that conditions can be varied from those approaching absolute freedom to those of close confinement. The cell block of 500 cells, when completed, and the dining room now used as a barracks will together take care of approximately 1,000 prisoners, and before more cell blocks of the old kind be built I would like to see the policy of decentralization of the prison population carried out, utilizing structures of a somewhat temporary nature. The proper type of prison management will do away with the need for a large part of the expensive equipment now thought necessary. Shops for whatever industries are

set up at Rockview will, of course, have to be built, and appropriations should be made for these.

If 350 more men are taken from the Western Penitentiary, conditions will be greatly relieved. It is possible to put up within the walls of the Western Penitentiary an additional shop building, and I believe that this should be done. If made of the same material as the other shop buildings, it could be taken down by prison labor and moved to Centre County without much financial loss.

The plan suggested in the foregoing paragraphs would afford, however, no relief to the Eastern Penitentiary, where conditions of unemployment are very bad. The remedy offered for this situation is based on the solution adopted by both the prison commission of 1913 and the one of 1917. In the first place, I question the advisability of combining the two penitentiaries. The total population of the two institutions amounts to 8,595. This is too large a prison population to be handled to advantage by one prison warden. The tendency at the present time is to individualize, to develop to the utmost the innate qualities of each prisoner, and I fear that the combining of the two prisons means not a step forward but a step backward to handling prisoners as a mass of numbered animals.

The next step should be to purchase a farm for the Eastern Penitentiary and to begin at once the erection of temporary shelters so that the over-crowded conditions and the idleness at the Eastern Penitentiary can be immediately relieved. Such a farm should be located near Philadelphia and should consist of not less than 500 acres, preferably 1,000. It must be remembered that there is no room to build shops at the Eastern Penitentiary. The old individual gardens, or walled enclosures, attached to the cells, are being rapidly converted into shops, but all told they will not suffice for the employment of more than about 250 men. The Eastern Penitentiary has twice as many prisoners as it ought to have. If, however, the penitentiary could have a farm on which it could erect barracks and work shops, the crowding could be relieved, and perhaps other parts of the old prison could be converted into workrooms.

At Huntingdon, buildings already exist which could be utilized as shops. What is necessary here is machines, raw material and a market.

Muncy has such a small population, seventy-five at the present writing, that the problem there of employment is not at all acute. However, we believe that a careful canvass of the possibilities of industries at this institution should be made, keeping in mind, however, the goal: that these industries should be primarily for the purpose of completing the training already given to the women.

Pennsylvania needs badly a tuberculosis hospital to take care of all the tubercular inmates now in the state penal and correctional institutions. The land at Rockview offers a fine location for such an institution, although it might be well to enlarge the facilities of Farview so as to care for the tubercular prisoners as well as those who have become insane.

THE BUREAU OF RESTORATION SHOULD BE EXPANDED.

I have already called attention to the great diversity existing among the various institutions in the matter of bookkeeping, salaries, number of employees, cost of maintenance, difference in treatment and the like, and I believe that the only one sure remedy for all this is to give the Bureau of Restoration of the Department of Public Welfare, now in charge of the prison industries, far more power over the penal and correctional institutions of the state than it now possesses. In fact I would even go so far as to place the full control of these institutions in this Bureau, even to the extent of giving it the power to appoint the wardens and the officers. The present boards of inspectors or managers should be retained as local boards of inspection and supervision. We believe that this centralization of control would result in more efficient administration, and would permit of the development of a more forward-looking policy in the care of our delinquents. It would give the prison wardens a part in the industrial rehabilitation of the prisoners, from which under the existing scheme they are now utterly divorced. On the other hand, the Bureau would be compelled in setting up industries to view the prison problem as a whole and to realize that industrial training must go hand in hand with the development of moral character through proper prison management. If a vigorous policy of wise prison development is not immediately inaugurated, it will take ten or twenty years to

develop our prison industries to the point where each prisoner may find useful employment, and the burden on the taxpayer reduced to a minimum.

The Bureau of Restoration Should Include Probation and Parole.

The subjects of probation and parole cannot be divorced from this prison inquiry. The amount of money which the state and counties have to pay for the care of men and women in institutions is of course directly related to the number that is sent to institutions. The situation in Massachusetts throws light on this point:

I am very glad to report that Massachusetts has not built an additional cell for all of twenty years. In a period during which a million has been added to the population of the state, and there have been taken in many perplexing elements into our population, as well as a period of considerable lengthening of our criminal code to include additional offences, the prison population of the state has undergone a marked decline. This is true of both the state and the county institutions. The State Prison population, which represents the worst offences, has been the nearest to static, but even it is not as large as it formerly was. The Men's Reformatory is largely vacant, although it was formerly crowded; I should say it has about one-third of its former population. The Women's Reformatory also shows a much smaller population, although it includes both the reformatory cases and the more serious offenders among women for whom there is no penal institution. The population in the county houses of correction and jails is but a fraction of what it formerly was. The last county institutions built were either never occupied or diminished so in population as to go out of use, and there are a number of county institutions which are closed.

There is no question that this reduction is due to the extended use of probation. The number of confined cases in state and county penal institutions and reformatories today is just about three thousand five hundred. The number of convicted offenders in the care of probation officers is around sixteen thousand. There is not an observant person in Massachusetts who would not say that the saving to the state in institutional care of offenders, which is very large, is due to the use of probation. It is a perfectly obvious fact.

The saving in the cost of additional construction is, of course, one large item. It is more than matched, however, by the saving in the maintenance cost. The per capita cost in our penal institutions is around nine hundred dollars a year, and the cost of carrying a person on probation is slightly over twenty dollars a year. There is, of course, the further item of the value of such persons in the community being self-supporting and contributing to the common fund, as against their being inactive and a burden upon the common fund through institutional support.

HERBERT C. PARSONS,

*Deputy Commissioner and Secretary
Commission on Probation.*

December 1, 1922.

Boston, Mass.

There is no question but that a further development of the probation system in Pennsylvania is possible. It cost in 1919-1920 approximately \$438 a year to keep a man in the Eastern Penitentiary; \$598 in the Western Penitentiary; and \$565 in Huntingdon Reformatory.¹ A good probation officer can be had for \$2000, the cost of keeping 4.5 men in the Eastern Penitentiary, 3.3 men in the Western Penitentiary, or 3.5 men in Huntingdon Reformatory. But a good probation officer can take care of at least 40 individuals. "There is to-day," said the Prison Commission of 1917, "little uniformity in the practice of courts in suspending sentence or of the probation officers in exercising their powers."² That is as true now as it was four years ago when this report was made.

The situation with respect to parole is somewhat similar. The cost to the state and counties is related not alone to the number sent to prison but *to the length of time that they stay in prison*. Parole has to do with the release from prison. It is now in the hands of the individual boards that manage the institutions, or (in the case of commitments to county prisons) of the courts of criminal jurisdiction. At the present time, few of our institutions, either state or county, provide the environment in which a real test of the individual's fitness for release can be obtained. Yet hundreds are being released on parole. Ought more, or fewer, to be released? We do not know. We merely want to point out that the financial problems of our institutions are also closely related to the problem of parole.

The Bureau of Restoration of the Department of Public Welfare, if it does not now have it, should be given the power to institute a thorough study in the use of probation and parole in this state. It should collect statistics, investigate results, and give the public such facts as will make possible a unified plan of handling delinquents.

¹ These figures were obtained by dividing the sum of state appropriations plus county levies plus six per cent interest on plants by number of prisoners.

² *Report of the Commission to Investigate Penal Systems* (Philadelphia: Allen, Lane & Scott, 1919). p. 24.

APPENDIX.

TABLE I.

STATE APPROPRIATIONS TO
PENNSYLVANIA STATE TRAINING SCHOOL.

1915.

Payment of salaries.....	\$ 93,000
Resident physician, nurses, and parole bureau.....	9,000
Equipment and instruction.....	10,000
Books and cataloguing same.....	300
Insurance.....	5,000
Building of two cottages.....	30,000
Continuing erection of industrial group.....	10,000
Fire-hydrants and equipment, extension of electric light plant, heat improvement, sanitary plumbing, telephone, water dam, filtration plant, improvements in buildings, etc., equipment for new hospital, general repairs, etc.....	50,000
<hr/>	
Total.....	\$207,300

1917.

Salaries.....	\$100,000
Resident physician, assistants, nurses, and parole bureau.....	9,000
Equipment and instruction in industrial school.....	10,000
Continuing erection of industrial group and paying amount due on former contracts, filtration plants and water dam; amount due on former contracts, vegetable-houses, storage-sheds, sheds for live-stock, wareroom, repairs, painting and glazing, steam heat and electric improvement, fencing, kitchen building, library books, insurance, etc.....	111,000
<hr/>	
Total.....	\$230,000

TABLE I.—CONTINUED.

1919.

For payment of salaries.....	\$114,000
Resident physician, assistants, nurses, and parole bureau.....	11,420
Equipment and instruction in industrial school.....	11,800
Erection of bridge.....	10,000
Repairs and extensions to kitchen, ice and refrigerating plant, and building stack.....	12,000
New water tube boiler.....	3,000
Boiler, stoker, and equipment in power plant.....	14,000
Repairs to water lines.....	3,000
Electric extension.....	6,000
Fire equipment and protection.....	2,000
New equipment industrial group.....	1,000
Steam line extensions, repairs, building tunnels, and replacing underground pipe.....	7,000
Steam heat and sanitary plumbing.....	4,000
Repairs, painting, and glazing, and purchase of material.....	9,000
Repairs to farm houses.....	800
Erection and equipment of two cottages.....	60,000
Construction of water dam, filtration plant, pumping station extensions, equipment and fencing.....	10,000
Storm sewers, and additions to sewage-disposal plant.....	3,000
Library books.....	500
Roadway improvements.....	2,000
Additional land.....	5,000
 Total.....	\$289,520

1921.

Reappropriated for purchase of land, fencing, repairs to kitchen, architects' fees, deficiency in salaries, heating improvement, plumbing, and construction of bridge.....	\$ 60,000
Payment of salaries.....	118,000
Resident physician, assistants, nurses, parole bureau.....	12,500
Equipment and instruction.....	9,000
Repairs and extensions to kitchen building.....	6,000
Electric extension and repairs.....	5,000
Steam line extensions, repairs, building tunnels, replacing underground pipe.....	3,000
Water dam, filtration plant, pumping station equipment, water lines, extensions, and repairs.....	5,000
Machinery and supplies for industrial buildings.....	6,000
Roadway improvements.....	3,000
Repairs to farm houses.....	1,000
Extensions to present laundry or constructing a new one.....	20,000
Improvements and extensions to present creamery or construction of new one.....	2,200
Repairs, painting, and glazing, and purchase of materials.....	8,000
Library books, etc.....	500
 Total.....	\$259,200

TABLE II.

STATE APPROPRIATIONS TO
PENNSYLVANIA INDUSTRIAL REFORMATORY.

1915.

Salaries of officers and employes and traveling expenses of the board of managers.....	\$231,976
Insurance.....	1,500
Library and school books, school supplies and stationery.....	2,200
Tools, materials and supplies for mechanical instruction.....	6,000
Lectures, entertainments, and special school instruction.....	700
Machinery, equipment, and supplies for trade-school.....	1,839
Repairs and improvements.....	1,495
Material for building fences, replacing shingle roofs, building silo, and terra cotta sewer pipe.....	1,551
Reimbursing reformatory for traveling expenses of board of managers for two years ending June 1, 1915, which was disallowed as act did not specifically state it was for that purpose.....	3,000
Installation of freezing tank.....	3,200
Discharged or paroled inmates.....	8,000
 Total.....	\$261,461

1917.

Salaries of officers and employes and traveling expenses of the board of managers.....	\$270,173
Insurance.....	1,500
Library and school books, school supplies, stationery and postage.....	2,000
Tools, materials and necessary supplies for mechanical instruction, and special mechanical instruction.....	6,000
Lectures, entertainments, and special school instruction.....	700
Refrigerator, dishes, kitchen supplies, dining-rooms, and cell tables.....	500
Machinery, equipment, and supplies for trade-school.....	1,977
Machinery for brick-plant, derrick, lathe, ties, and material and supplies.....	3,500
Repairs and improvements in cell-houses, changing electric light tower, repairing pipe organ, building brooding pen, etc.....	5,000
Purchase of land.....	3,500
Discharged or paroled inmates.....	10,000
 Total.....	\$304,850

TABLE II.—CONTINUED.

1919.

Salaries of officers and employes and traveling expenses of board of managers.....	\$304,190
Insurance.....	1,500
Library and school books, school supplies, stationery and postage.....	2,000
Tools, materials, supplies for mechanical instruction.....	6,000
Lectures, entertainments, and special school instruction.....	700
Purchase of refrigerator, dishes, supplies for kitchen, dining-rooms, and cell tables.....	700
Machinery, equipment, and supplies for trade-school.....	2,500
Machinery for machine shop, laundry, and electrical departments, and automobile freight truck.....	5,000
Painting, repairing, and erection of buildings, and repairing of bridge.....	6,000
Railroad siding material.....	1,500
Reimbursing reformatory for amounts paid to paroled and discharged inmates in excess of amount granted for period ending May 31, 1917	2,690
Insurance in excess of amount granted for period ending May 31, 1919	900
Discharged or paroled inmates.....	10,000
 Total.....	\$343,680

1921.

Deficiency in appropriation for salaries of officers and employes, and traveling expenses of board of managers.....	\$ 18,015
Deficiency in appropriation for erection of building to manufacture automobile tags.....	3,930
Salaries of officers and employes, traveling expenses of board of managers.....	320,000
Insurance.....	1,800
Library and school books, school supplies, stationery and postage.....	2,500
Tools, materials, and necessary supplies for mechanical instruction in trade-school classes.....	6,000
Lectures, entertainments, and special school instruction.....	700
Dishes, supplies for kitchen, dining-rooms, and cell tables.....	1,100
Machinery, equipment, and supplies for use in trade-school classes.....	3,268
New machinery for machine shop, laundry, farm tractor, linotype machine, and automobile.....	10,000
Cattle for breeding.....	2,000
Reimbursing for amount in insurance in excess of amount granted for period ending May 31, 1921.....	660
Replacing battery of tubular boilers.....	24,000
Beginning work of renewing wiring and placing same in conduits.....	7,500
Discharged or paroled inmates.....	10,000
 Total.....	\$411,473

TABLE III.

STATE APPROPRIATIONS TO
STATE INDUSTRIAL HOME FOR WOMEN.

1917.

Completion of buildings, construction of water supply system, sewage-disposal plant, grading and road building.....	\$ 75,000
Tools, machinery, mechanical and educational supplies, furniture and furnishings, etc.....	25,000
Salaries of employees.....	25,000
Maintenance.....	5,000
Total.....	\$130,000

1919.

Completion of buildings, construction of water supply system, sewage-disposal plant, grading and road building, preparation of grounds.....	\$ 90,000
Purchase and installation of tools, machinery, mechanical and educational supplies, furniture, furnishings, etc.....	40,000
Payment of salaries of employees.....	35,000
Maintenance, two years.....	15,000
Total.....	\$180,000

1921.

Deficiency to June 1, 1921	
Purchase of tools, machinery, furniture, etc.....	\$ 16,000
Maintenance.....	12,000
Maintenance.....	120,000
Erection and equipment of barn, silo, appurtenances, and farming implements.....	12,000
Livestock.....	2,000
Pigs and chickens.....	700
Machinery for making rugs, carpets, etc.....	20,000
Automobile and autotruck.....	4,000
Chauffeur's salary.....	2,400
Trees and shrubbery and installation of fountain.....	3,000
Additional real estate.....	12,000
Total.....	\$204,100

TABLE IV.

STATE APPROPRIATIONS TO
EASTERN STATE PENITENTIARY.

1915.

Salaries of officers and parole work.....	\$210,000.00
Library books and stationery.....	500.00
Gratuities to discharged convicts.....	10,000.00
Clothing " " "	12,000.00
Reimburse treasurer for amount expended for salaries of officers and parole work in excess of appropriation awarded July 26, 1913.	20,000.00
Reimburse treasurer for amount expended for gratuities to discharged convicts in excess of appropriation awarded July 26, 1913.	1,000.00
Reimburse treasurer for amount expended for clothing for discharged convicts in excess of appropriation awarded July 26, 1913.....	1,000.00
Reimburse treasurer for amount expended for extraordinary repairs.....	2,167.75
Purchase of automobile truck.....	3,179.10
<hr/>	
Total.....	\$259,846.85

1917.

Salaries of officers and parole work.....	\$245,000.00
Salaries of officers for exercise of 8-hour law.....	49,000.00
General repairs.....	10,000.00
Library books and stationery.....	500.00
Gratuities to discharged convicts.....	10,000.00
Clothing " " "	12,000.00
Reimburse treasurer for amount expended for salaries in excess of appropriation of June 15, 1915.....	22,000.00
Reimburse treasurer for amount expended for general repairs from June 1, 1915 to May 31, 1917.....	6,500.00.
Installation of X-ray machine.....	1,157.19
Reimburse treasurer for amount expended in covering 93 cell yards..	12,000.00
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Total.....	\$368,157.19

TABLE IV.—CONTINUED.

1919.

Salaries of officers and parole work	\$330,000.00
General repairs.....	15,000.00
Gratuities to discharged convicts.....	10,000.00
Clothing " " "	14,000.00
Books and stationery.....	500.00
Reimburse funds of treasurer for amount expended for salaries of officers and parole work in excess of appropriation awarded June 18, 1915.....	1,545.37
Reimburse funds of treasurer for amount expended for salaries of officers and parole work in excess of appropriation awarded June 25, 1917.....	6,000.00
Reimburse funds of treasurer for amount expended for general repairs in excess of appropriations July 25, 1917.....	10,000.00
Reimburse funds of treasurer for amount expended for clothing to discharged convicts in excess of appropriation made July 25, 1917.....	2,000.00
Automobile truck.....	1,670.00
Changes and additions to heating system and boiler plant.....	35,000.00
Total.....	\$425,715.37

1921.

Salaries of officers and parole work	\$350,000
General repairs.....	15,000
Library books and stationery.....	500
Gratuities to discharged convicts.....	7,000
Clothing " " "	15,000
Reimburse treasurer for amount expended for salaries of officers and parole work in excess of appropriation of July 16, 1919.....	26,000
Reimburse treasurer for amount expended for general repairs in excess of appropriation of July 16, 1919.....	20,000
Reimburse treasurer for amount expended for clothing to discharged convicts in excess of appropriation of July 16, 1919.....	5,000
Dodge sedan.....	1,885
Total.....	\$440,385

TABLE V.

STATE APPROPRIATIONS TO
WESTERN STATE PENITENTIARY.

1915.

Salaries of officers, parole work, electrocution department, and necessary expenses.....	\$335,000
Extraordinary repairs.....	5,000
Insurance.....	5,000
Hospital equipment.....	1,000
Books and stationery.....	500
Discharged or paroled convicts and their clothing.....	14,000
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Total.....	\$360,500

WESTERN PENITENTIARY (ROCKVIEW).

1915.

Erection.....	\$300,000
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1917.

Salaries of officers and parole work, and electrocution department	\$416,752.77
Extraordinary repairs.....	10,000.00
Insurance.....	7,200.00
Hospital equipment.....	2,600.00
Books and stationery.....	3,000.00
Discharged or paroled convicts.....	16,000.00
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Total.....	\$455,552.77

WESTERN STATE PENITENTIARY (ROCKVIEW).

1917.

Continuation of erection, construction, and equipment.....	\$500,000
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1919.

Salaries of officers, parole work, returning convicts, electrocution department and necessary expenses	\$534,355.20
Extraordinary repairs.....	40,000.00
Insurance	6,520.41
Hospital equipment.....	2,600.00
Books and stationery for prisoners.....	3,500.00
Discharged or paroled convicts and their clothing.....	17,000.00
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Total.....	\$603,955.61

TABLE V.—CONTINUED.

WESTERN STATE PENITENTIARY (ROCKVIEW).

1919.

Continuation of erection, construction, and equipment.....\$500,000

1921.

Salaries of officers, parole work, returning convicts, electrocution department.....	\$590,000.00
Extraordinary repairs.....	40,000.00
Insurance.....	4,243.65
Discharged or paroled convicts.....	20,000.00
Books and stationery.....	3,500.00
Hospital equipment.....	4,180.00
Total.....	\$661,923.65

WESTERN STATE PENITENTIARY (ROCKVIEW).

1921.

Continuation of erection, construction and equipment.....\$300,000

TABLE VI.

STATE APPROPRIATIONS TO
STATE HOSPITAL FOR THE CRIMINAL INSANE.

1915.

Deficiency in maintenance and equipment to May 31, 1915.....	\$ 11,000
Erecting and constructing ward "H".....	126,000
" " " dining-room "K-1".....	33,000
" " " kitchen "L".....	57,000
" " " a generator-room.....	16,000
Purchasing equipment for kitchen and generator-house, including boilers, purchase of additional land.....	30,000
Completion of tuberculosis hospital.....	3,500
Furnishing and equipping for occupancy and use the buildings.....	6,000
Erecting and constructing barn, farm and outbuildings, purchasing seeds, fertilizers, trees, shrubbery, plants, implements, greenhouses, stocking and equipping farm.....	6,000
Brick-making machinery and equipment, constructing sewage-disposal plant, reservoirs, dams, pipe-lines, sewer roads, walks, fences, conduits, ducts, mains, grading and clearing land.....	20,000
Maintenance, treatment, care of patients, equipment for a pathological and clinical laboratory, for maintenance of a department of anaesthesia.....	50,000
Total.....	\$358,500

TABLE VI.—CONTINUED.

1917.

Erecting and constructing ward "J".....	\$ 80,000
" " " addition to attendants' house.....	15,000
Purchase of farm land.....	10,000
Erecting and constructing house for superintendent.....	10,000
Furnishing house for superintendent.....	3,500
" ward "J," attendants' house and other new buildings.....	6,000
Purchase of steam-shovel, railway engine, dump cars, and other cars, rails for track, for construction of reservoirs, dams, pumps, pipelines, sewer-lines, electric-lines, electric calls and alarms, and light standards, clearing of land, and equipment.....	10,000
Construction of farm buildings, purchasing of farm and garden seeds, fertilizers, trees, shrubbery, plants, implements, greenhouses, for stocking and equipping farm and buildings.....	10,000
Maintenance, treatment, and care of patients.....	50,000
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Total.....	\$194,500

1919.

Deficiency to May 31, 1919.....	\$ 50,000
Erecting and constructing additional ward.....	100,000
Completing house for superintendent.....	4,500
Maintenance, treatment and care of patients.....	50,000
Improvement of farm buildings, purchasing seeds, fertilizers, trees, shrubbery, plants, implements, and for stocking and equipping farm and buildings, operating brick plant, and clearing of land.....	5,000
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Total.....	\$209,500

1921.

Deficiency to June 1, 1921.....	\$ 65,000
Unexpended balance for additional ward.....	25,000
Completing the erection of additional ward, connecting corridors, patients' dining-room, refrigerating plant, and furnishing and equipping same.....	50,000
Deficiency in maintenance.....	57,000
Extension, enlargement, equipment and operation of brick plant....	5,000
Machinery and equipment of textile industrial plant.....	5,000
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Total.....	\$207,000

TABLE VII.

STATE APPROPRIATIONS TO
GLEN MILLS SCHOOLS.

1915.

Maintenance.....	\$270,000
Erecting, furnishing, and equipping schoolhouse for girls' department at Darlington.....	25,000
Enlargement and improvement of sewage-disposal plant.....	7,500
Extension of sewage, water, and electric light for new hospital in con- nection with boys' department.....	3,000
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Total.....	\$305,500

1917.

Maintenance.....	\$348,331
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1919.

Maintenance.....	\$425,000
Deficiency in maintenance.....	75,000
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Total.....	\$500,000

1921.

Deficiency in maintenance.....	\$116,600
Maintenance.....	486,578
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Total.....	\$603,178

A Survey of the Fiscal Policies of the State Subsidies to Private Charitable Institutions by the Commonwealth of Pennsylvania

A REPORT TO THE CITIZENS' COMMITTEE
ON THE FINANCES OF THE STATE
OF PENNSYLVANIA APPOINTED BY
HON. GIFFORD PINCHOT

By

KENNETH L. M. PRAY

Director of the Pennsylvania School of Social and Health Work
Philadelphia

DECEMBER, 1922

Acknowledgments.

The Citizens' Committee on the Finances of the State of Pennsylvania was appointed by Gifford Pinchot, then Republican nominee for Governor of the State of Pennsylvania, for the following purposes:

- (1) To secure and consider the best available figures showing the money income of the state from all sources during the current biennial fiscal period; to secure and consider the best available figures showing the probable total revenue from all existing sources during the next biennial fiscal period; and to make needful recommendations as to sources of revenue and methods of taxation, with the object of avoiding additional or unnecessary burdens upon the people of the state.
- (2) To inquire into the expenditures of all monies appropriated for any purpose by the legislative session of 1921; to consider the necessity for such expenditures; to estimate the probable deficits, where such exist, and to make needful recommendations for the more economical and effective expenditure of the state's funds.
- (3) To examine into the present methods of appropriating and expending the money received by the State from all sources; to make recommendations as to the fiscal policies of the State; and to propose a form of budget that will assist in preventing the appropriation of monies in excess of the probable revenue.

The Committee in undertaking its responsibilities early decided that it was advisable to have special surveys made of the spending policies of each of the larger departments through an expert peculiarly qualified in each respective field.

The Committee chose as the expert to make the survey of the fiscal policies of the State Subsidies to Private Charitable Institutions of Pennsylvania, Mr. Kenneth L. M. Pray, Director of the Pennsylvania School of Social and Health Work, Philadelphia. Mr. Pray is well known throughout the state for his work as a

specialist in these matters. For several years he did political and legislative reporting for the *Philadelphia Record*. Since 1913 he has been in intimate touch with State Welfare administration and legislation, at first in connection with his newspaper work, then as Harrisburg correspondent and adviser of state and national social agencies, and finally as Director of the Public Charities Association of Pennsylvania. In this capacity he has been responsible for examining and interpreting every proposal of social legislation that has been made and every bill introduced at Harrisburg as well as for taking leadership in the promotion of legislative programs, on behalf of the social agencies of the state. For the past seven years he has made a special study of the subsidy problem as it affects welfare work. He submitted to the recent Constitutional Revision Commission an exhaustive brief on the subject which attracted wide notice. He is now Director of the Pennsylvania School for Social and Health Work in Philadelphia.

Inasmuch as there are many important phases of public policy entering into each of these spending policies, the Committee deemed it advisable to associate with each of the experts an advisory committee to add their judgments to the matter at hand.

The members of the Advisory Committee on State Subsidies to Private Charitable Institutions are: Mrs. E. E. Kiernan, of Somerset; Mrs. E. H. McCaulley, of Beaver; Mr. Walter A. May, of Pittsburgh; Mr. J. H. Hagedorn, of Philadelphia; Dr. Frank Tyson, of the University of Pittsburgh; Mr. Alexander Fleisher, of New York City, and Professor Frank Fetter, of Princeton, N. J.

These surveys by experts are made as reports to the Committee and the Committee has immediately released them for publication. The Committee, of course, cannot and does not take credit to itself for either the work or the recommendations. Credit in these matters is due solely to the expert and those who have advised with him.

The Citizens' Committee on the Finances of Pennsylvania

Clyde L. King, Chairman	Hon. D. Edward Long
Charles J. Rhoads, Treasurer	General Asher Miner
Mrs. Walter King Sharpe, Secretary	Mr. T. D. Stiles
Hon. Franklin Spencer Edmonds	Mrs. William Thaw, Jr.
Hon. John S. Fisher	Mrs. Barclay H. Warburton
Mr. Leonard P. Fox	Mr. Frank P. Willits
Mr. Allen W. Hagenbach	Hon. George W. Woodruff
Mr. Alba B. Johnson	Hon. George Woodward
Mrs. Mary Flinn Lawrence	Mr. Paul D. Wright

State Appropriations to Private Charities.

**Report Upon Recent and Present Policy and Procedure,
With Special Reference to the State's Fiscal and
Welfare Programs, and With Suggestions for
Modification and Improvement.**

Prefatory Note.

The accompanying report of the study of State appropriations to private welfare agencies is purposely confined to consideration of facts that are beyond reasonable dispute and of proposals that seem immediately practicable. The theoretical question of the wisdom of the general policy of public subsidies to private agencies is not considered. It is assumed that it will be continued for the present.

Appropriations to a group of agencies commonly known as "Semi-State Agencies" have not been included within the study, although these institutions were founded and are conducted by private corporations. The State has gradually extended its contributions to these agencies until practically their whole maintenance cost is borne by the Commonwealth; the Commonwealth is represented, in almost every instance, upon the directing board of the agency; each is performing a task that has been practically taken over by the Commonwealth as an accepted obligation and function, and each is, in many respects, regarded and conducted as an integral part of a State program within its field. For these reasons, and because many of these agencies are, by long tradition and with some reason, generally considered as a separate and separable group closely allied to the State's own agencies, it was agreed that they should not be grouped with other private agencies for the purpose of this study.

Within the past year far-reaching changes of policy with respect to the problem under examination have been inaugurated by the Department of Public Welfare. Within the same time the State Supreme Court has definitely interpreted the Constitution to prohibit appropriations to institutions under sectarian control.

Since both of these changes, however, will not have full effect unless suitable legislative and administrative action is taken hereafter, it has been deemed necessary to describe the situation as it existed before these changes occurred, and, in addition, to appraise the effect of each of them at those points where they specifically affect State financial policy.

I. The Size of the Problem.

Between one-quarter and one-third of all the ordinary revenue of the State is devoted to welfare purposes, including health promotion and the administration of sundry services for the protection of workmen in industry. Of the \$28,000,000 specifically appropriated at the last session for charities and corrections, considerably more than one-quarter was appropriated to strictly private agencies, in the sense that they are not owned nor substantially controlled by the Commonwealth or any of its local governmental units. Another \$2,500,000 was appropriated to the so-called semi-State agencies described in the preface. (See *General Summary* at end of *Table II*.)

There has been a constant growth both in the amount of money so distributed to private agencies, and in the number of agencies receiving appropriations. The following table furnishes one background of fact:

TABLE A.

Biennium	Appropriation	Increase % (Note 1)	Population (Approx.) (Note 2)	Increase % (Note 1)	Revenue (Note 3)	Increase % (Note 1)
1871-2.....	\$ 604,981.24	...	3,500,000	...	\$ 7,000,000	...
1881-2.....	850,570.49	40	4,280,000	21	7,000,000	...
1891-2.....	1,722,686.52	102	5,250,000	22	10,000,000	42
1901-2.....	3,024,025.00	75	6,300,000	19	15,000,000	50
1911-12.....	6,249,400.00	106	7,675,000	21	29,000,000	93
1921-22.....	7,457,000.00	19	8,720,000	13.4	60,000,000	100
NET INCREASE....	(50 years)	1131	.....	145	.....	757

NOTE 1.—Increase, reduced to percentage of the amount shown for preceding biennium. Thus the increase of appropriation in 1881-2 over that of 1871-2 was 40% of the latter. The increase of population during the same period was 21% of the population at the beginning of the period, etc. The NET INCREASE is based upon the difference between the amounts at the end of the period and those at the beginning, reduced to a percentage of the latter.

NOTE 2.—Population figures represent round numbers shown by United States Census taken in each case in the year preceding the biennium referred to; i. e., the latest census was in 1920.

NOTE 3.—Figures given for State revenue are round numbers shown by State Treasury reports, except for 1921, which are not yet available in published form. For 1921, the figures are those submitted as estimates by fiscal officers of the Commonwealth at about the time the appropriations for this and the following year were being made.

Reduced to plain words, this table shows that, while population a little more than doubled, and while revenue increased to about eight times the earlier figure, the appropriations to private charities at the latest biennial session amounted to about twelve times the sums appropriated for the same purpose fifty years before.

It is true that the rate of increase during the last decade has been decidedly lower than at any other time in half a century, and the

TABLE I.

YEAR	No. of private institutions aided	Amount of State aid
1850.....	4	\$ 65,767.85
1851.....	3	33,000.00
1852.....	4	48,000.00
1853.....	4	62,000.00
1854.....	6	67,000.00
1855.....	5	56,000.00
1856.....	5	86,000.00
1857.....	5	126,000.00
1858.....	7	132,500.00
1859.....	8	111,000.00
1860.....	6	115,750.00
1861.....	6	104,800.00
1862.....	7	114,280.00
1863.....	16	146,800.00
1864.....	22	171,147.00
1865.....	26	227,059.00
1866.....	7	188,369.70
1867.....	10	183,000.00
1868.....	9	217,000.00
1869.....	12	243,500.00
1870.....	10	173,000.00
1871.....	17	239,295.00
1872.....	10	365,686.24
1873.....	11	421,008.50
1874.....	13	222,016.78
1875-1876.....	13	550,800.00
1877-1878.....	14	590,658.19
1879-1880.....	8	342,860.00
1881-1882.....	15	850,570.49
1883-1884.....	22	757,158.00
1885-1886.....	27	1,005,562.00
1887-1888.....	35	1,228,276.20
1889-1890.....	52	1,644,095.55
1891-1892.....	68	1,722,686.52
1893-1894.....	95	2,496,515.64
1895-1896.....	112	2,371,143.50
1897-1898.....	118	2,434,687.43
1899-1900.....	129	2,299,030.00
1901-1902.....	142	3,024,025.00
1903-1904.....	176	4,657,100.00
1905-1906.....	177	4,142,550.00
1907-1908.....	224	5,502,600.00
1909-1910.....	239	5,300,400.00
1911-1912.....	275	6,249,400.00
1913-1914.....	270	6,003,520.00
1915-1916.....	269	5,694,250.00
1917-1918.....	281	6,215,300.00
1919-1920.....	292	7,573,389.20
1921-1922.....	302	7,457,000.00

latest appropriations were somewhat less than those of the preceding session (see *Tables I and III*), but there is no definite evidence that this policy will continue. On the contrary, in the light of history, it is plausible to assume that this reduction is the result of temporary pressure of other interests on the public purse, rather than settled policy. The clamorous dispute as to taxation measures and prospective revenues and expenditures which marked the last session of the Legislature doubtless had its effect in restricting these appropriations for the time being.

Table I (page 223) shows that frequently during the past fifty years there have been brief periods of stagnation or decline in these appropriations, but always the ground has been quickly regained and new heights attained at succeeding sessions. It is significant that only once in forty years, from 1911 to 1915, has there been a decline in the number of institutions receiving appropriations, and in 1921, for the first time in history, the number exceeded 300.

Equally significant is the recent consistent tendency to increase appropriations to each individual institution. In 1917, for example, 107 agencies received greater appropriations than they received in 1915; only 20 received less, while 52 received the same amount in both years.

In 1919, 227 agencies again received increased appropriations; only 15 received less, and 33 received the same, as in 1917.

In 1921, the total reduction in appropriations for this purpose is reflected in the appropriations for individual institutions, but even in this year of retrenchment in this field, 100 agencies, almost an even third, received more than they received in 1919.

Another note of warning is perhaps appropriate, in the light of the figures shown in *Table I*. It is clear that the first Legislative session of each new Governor's term usually shows a decided spurt upward, both in the number of agencies aided and in the total amount of the appropriations for this purpose. In 1903 the total number of agencies receiving appropriations was increased by 34 or nearly 25% over the preceding year; in 1907, the number was increased by 47, or more than a quarter; in 1911, there was another increase of 36, or about 15%. Then followed a period of decline, which was broken just before the present administration took office. The total of these appropriations in the first year after Governor Sproul's election jumped forward more than 20%,

TABLE IV.
SUMMARY OF APPROPRIATIONS BY COUNTIES—ALL INSTITUTIONS.
(Except Sanatoria for Tuberculosis.)

COUNTY	1915	1917	1919	1921
Adams.....				\$ 7,000.00
Allegheny.....	\$1,637,000.00	\$1,754,800.00	\$2,054,089.20	1,903,200.00
Armstrong.....	6,000.00	6,000.00	8,000.00	9,000.00
Beaver.....	61,000.00	66,000.00	84,000.00	96,500.00
Bedford.....				
Berks.....	87,000.00	108,700.00	137,500.00	132,500.00
Blair.....	76,500.00	84,000.00	93,000.00	83,600.00
Bradford.....	15,000.00	28,000.00	40,000.00	40,000.00
Bucks.....	7,500.00	13,000.00	19,000.00	20,000.00
Butler.....	17,000.00	20,000.00	20,000.00	20,000.00
Cambria.....	93,000.00	108,600.00	157,500.00	146,500.00
Cameron.....				
Carbon.....				
Centre.....	12,000.00	15,000.00	20,000.00	18,000.00
Chester.....	79,400.00	74,000.00	100,400.00	92,700.00
Clarion.....				
Clearfield.....	25,000.00	34,500.00	53,000.00	54,500.00
Clinton.....	33,250.00	38,500.00	48,000.00	52,500.00
Columbia.....	14,000.00	16,500.00	21,000.00	21,000.00
Crawford.....	38,000.00	44,500.00	55,000.00	51,000.00
Cumberland.....	2,500.00	10,000.00	18,000.00	16,000.00
Dauphin.....	62,000.00	63,000.00	90,200.00	84,300.00
Delaware.....	44,000.00	46,000.00	82,000.00	79,500.00
Elk.....	18,000.00	18,000.00	21,000.00	20,000.00
Erie.....	107,500.00	117,800.00	151,800.00	142,800.00
Fayette.....	58,000.00	66,000.00	66,500.00	62,000.00
Forest.....				
Franklin.....	14,200.00	16,500.00	15,000.00	12,600.00
Fulton.....				
Greene.....	6,000.00	6,000.00	7,000.00	8,000.00
Huntingdon.....	15,000.00	15,500.00	15,000.00	13,500.00
Indiana.....	13,000.00	22,000.00	26,000.00	27,000.00
Jefferson.....	69,000.00	76,000.00	86,600.00	83,500.00
Juniata.....				
Lackawanna.....	148,400.00	172,000.00	232,200.00	235,000.00
Lancaster.....	54,000.00	61,000.00	76,000.00	74,400.00
Lawrence.....	38,000.00	44,500.00	65,200.00	63,400.00
Lebanon.....	20,000.00	23,000.00	26,000.00	24,000.00
Lehigh.....	68,000.00	70,000.00	100,000.00	107,000.00
Luzerne.....	154,000.00	172,700.00	211,400.00	267,800.00
Lycoming.....	85,500.00	87,000.00	102,400.00	98,500.00
McKean.....	33,000.00	36,000.00	39,000.00	37,900.00
Mercer.....	46,000.00	46,500.00	53,000.00	57,500.00
Mifflin.....	16,000.00	16,500.00	20,000.00	18,000.00
Monroe.....	500.00	1,500.00	4,000.00	5,000.00
Montgomery.....	64,000.00	70,500.00	69,000.00	67,000.00
Montour.....				
Northampton.....	36,000.00	36,000.00	43,000.00	42,300.00
Northumberland.....	14,000.00	15,000.00	18,000.00	15,000.00
Perry.....				
Philadelphia.....	1,925,800.00	2,079,200.00	2,522,500.00	2,513,900.00
Pike.....				
Potter.....	5,000.00	5,000.00	7,000.00	9,900.00
Schuylkill.....	43,000.00	48,000.00	64,000.00	65,000.00
Snyder.....				
Somerset.....	13,000.00	14,000.00	14,000.00	
Sullivan.....				
Susquehanna.....	3,700.00	4,000.00	4,000.00	4,000.00
Tioga.....				3,000.00
Union.....			3,500.00	3,600.00
Venango.....	30,000.00	29,000.00	36,000.00	27,000.00
Warren.....	14,000.00	16,000.00	23,000.00	20,000.00
Washington.....	44,000.00	49,000.00	54,400.00	51,600.00
Wayne.....				3,600.00
Westmoreland.....	72,500.00	78,000.00	94,000.00	104,000.00
Wyoming.....				
York.....	37,500.00	40,000.00	48,000.00	48,200.00
Total.....	5,573,750.00	6,069,300.00	7,418,189.20	7,258,800.00
Sanatoria.....	90,000.00	126,000.00	155,200.00	198,200.00
Total.....	5,663,750.00	6,215,300.00	7,573,389.20	7,457,000.00

although the number of institutions aided was increased by less than 5%.

Table IV (page 225), showing the totals appropriated to institutions within each county at the last four sessions of the Legislature, discloses the steady upward trend, which, though checked at the last session, broke through even then at numerous points.

II. The Direction of the Flow.

The present distribution of the appropriations among classes of institutions is strangely at variance with the purposes expressed at various times in the past. While the very earliest appropriation of this kind recorded in the history of Pennsylvania was made to a hospital (the Pennsylvania Hospital in Philadelphia in 1752), such appropriations were discontinued in 1796, after the Revolutionary War emergency had passed, and did not appear again as a considerable item in the subsidy list until about 1880. Meantime the State's responsibility for certain other great groups of the afflicted had become more clearly recognized, and beginning about 1820 a continuous series of appropriations was begun in favor of certain institutions, such as those for the deaf and dumb and the blind, and for the reformation of youth, which were performing functions closely related, if not actually belonging, to the State itself. In the same category were the appropriations, beginning about the middle of the last century, to the Western Pennsylvania (now Dixmont) Hospital for the Insane, and to the Pennsylvania Training School for the Feeble-minded, at Elwyn.

The first serious digression from this policy occurred at the time and as a consequence of the Civil War. This emergency threw upon the State a sudden responsibility for the care of war orphans, and to some extent, for the care of veterans, their wives and widows. As always, private philanthropy moved more swiftly and responded more promptly to the situation, with the result that the State was persuaded to discharge its new responsibility by assisting private agencies already in operation, rather than by building up its own agencies.

This sudden expansion emphasized anew certain abuses in the exercise of Legislative power which had appeared in other connections, with the result that two steps were taken by the State to put a check upon Legislative discretion. First in point of time

was the creation of the State Board of Public Charities in 1869, charged with responsibility for advising the Legislature as to the distribution of the funds for welfare purposes and for supervising and reporting upon the use of these funds by the agencies to which they were intrusted. The second was the Constitutional Convention of 1873, which gave us the clauses intended and expected to discourage, if not to prevent, as a regular practice, the appropriation of State funds to private agencies. (See Article III, Sections 17, 18 and 19, Constitution of Pennsylvania.)

These two steps, in a sense, offset each other. The new Board, instead of opposing or restricting State grants to private agencies, for years pleaded for greater generosity on the part of the Legislature, and the Legislature, thus importuned, and yielding, also, to its own habitual inclinations, soon responded with new appropriations, made in full conformity with Constitutional provisions, probably, but certainly not in accordance with the expectations of the Constitution-makers. The special plea upon which the Board relied, and to which the Legislature responded, was in behalf of the dependent children of the Commonwealth, many of them war-orphans, and for the first ten years of the present constitutional period, the State's appropriations to private agencies were largely devoted to their care.

Once the gate was opened, however, the flood poured through. At the end of ten years, the original object for which the grants were begun, the care of dependent children, had become quite subordinate, in the distribution of State funds, to other objects not foreseen, the chief among them being the maintenance of hospitals for the sick and injured. So completely has the tide run in this direction since, that of the appropriations made at the 1921 session of the Legislature to private charitable agencies, about 86% went to hospitals and allied agencies, while of the rest, little more than half (about 8%) went to children's agencies, which had furnished the first impulse for the development of the system. About 3% was devoted to institutions for the protection and reformation of delinquents, principally for youths; about 2½% was devoted to institutions for adults and for miscellaneous purposes, and about ½% was granted to institutions for epileptics.

One fact stands out clearly from this story. The distribution of the charity subsidy is not, either in its growth and development or

in its present character, based upon a definite plan or settled purpose. It is the result of accident, not foresight. The question whether a given agency or group of agencies shall at any time be aided by grants from the State Treasury is decided, not on the basis of principle, but as a matter of chance. Furthermore, no logical reason can now be given, based upon precedent or fixed policy, why any one of a wide variety of unaided agencies should not be entitled to receive State aid, just as properly as most of those that do receive it.

TABLE II.
WELFARE APPROPRIATIONS—1921
BY THE COMMONWEALTH OF PENNSYLVANIA.
CLASSIFIED SUMMARY.

(I) Normal Dependent Adults.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
1. Veterans' Homes				
Maintenance.....	\$220,000.00	.....	\$75,000.00	\$295,000.00
Improvement.....	20,000.00	.....	.....	20,000.00
Deficit.....		.....	.....	.....
Total.....	240,000.00	.....	75,000.00	315,000.00
2. Pensions.....	10,000.00	.....	.....	10,000.00
3. General Homes				
Maintenance.....	.....	.....	103,200.00	103,200.00
Improvement.....	.....	.....	.....	.....
Deficit.....	.....	.....	.....	.....
Total.....	.....	.....	103,200.00	103,200.00
4. Settlements				
Maintenance.....	.....	.....	3,000.00	3,000.00
Total.....	.....	.....	3,000.00	3,000.00
Grand Total—I.....	\$250,000.00	.....	\$181,200.00	\$431,200.00

(II) Normal Dependent Children.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
1. Soldiers' Orphans				
Maintenance.....	\$276,000.00	.....	.....	\$276,000.00
Improvement.....	86,000.00	.....	.....	86,000.00
Deficit.....	.....	.....	.....	.....
Total.....	362,000.00	.....	.....	362,000.00
2. General Homes and Day Nurseries				
Maintenance.....	.....	.....	\$526,300.00	526,300.00
Improvement.....	.....	.....	.....	.....
Deficit.....	.....	.....	.....	.....
Total.....	.....	.....	526,300.00	526,300.00
3. Placement Agencies				
Maintenance.....	.....	.....	72,000.00	72,000.00
Improvement.....	.....	.....	.....	.....
Deficit.....	.....	.....	.....	.....
Total.....	.....	.....	72,000.00	72,000.00
4. At Home				
Maintenance.....	1,000,000.00	.....	.....	1,000,000.00
Grand Total—II.....	\$1,362,000.00	.....	\$598,300.00	\$1,960,300.00

TABLE II—CONTINUED.

(III) Protection and Reformation.

APPROPRIATIONS FOR	TO	State agencies	Semi-State agencies	Private agencies	Total
1. Prisons					
Maintenance.....		\$995,243.65			\$995,243.65
Improvement.....		354,180.00			354,180.00
Deficit.....		52,885.00			52,885.00
Total.....		1,402,308.65			1,402,308.65
2. Reformatories (Adult)					
Maintenance.....		493,763.00			493,763.00
Improvement.....		71,100.00			71,100.00
Deficit.....		50,605.00			50,605.00
Total.....		615,468.00			615,468.00
3. Reformatories (Juvenile)					
Maintenance.....		190,500.00	\$486,578.00		677,078.00
Improvement.....		68,700.00			68,700.00
Deficit.....			116,000.00		116,000.00
Total.....		259,200.00	602,578.00		861,778.00
4. Missions, Rescue Homes, Protectories, Prisoners' Aid, etc.					
Maintenance.....			65,000.00	\$213,000.00	282,100.00
Improvement.....					
Deficit.....					
Total.....			65,000.00	213,000.00	282,100.00
5. Miscellaneous Administration, including Prison Labor, Pardon Board, etc.					
Maintenance.....		119,800.00			119,800.00
Grand Total—III....		\$2,396,776.65	\$667,578.00	\$213,000.00	\$3,281,454.65

(IV) Mental Health.

APPROPRIATIONS FOR	TO	State agencies	Semi-State agencies	Private agencies	Total
1. Mental Illness					
Maintenance.....		\$4,750,000.00*			\$4,750,000.00*
Improvement.....		926,450.00			926,450.00
Deficit.....		1,393,973.08	\$154,887.22		1,548,860.30
Total.....		7,070,423.08	154,887.22		7,225,310.30
2. Mental Defect					
Maintenance.....		1,650,000.00	420,000.00		2,070,000.00
Improvement.....		292,000.00			292,000.00
Deficit.....		130,000.00	75,000.00		205,000.00
Total.....		2,072,000.00	495,000.00		2,567,000.00
3. Epilepsy†					
Maintenance.....				30,000.00	30,000.00†
Grand Total—IV....		\$9,142,423.08	\$649,887.22	\$30,000.00	\$9,822,310.30

*Of this amount, \$4,700,000 is appropriated in one sum to be distributed, at a per capita per week rate to both State and local governmental hospitals for the insane.

†The State institutions for the feeble-minded at Polk and Spring City both received epileptic, as well as feeble-minded, patients.

TABLE II—CONTINUED.

(V) Physical Health.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
1. General Hospitals				
Maintenance.....	\$988,500.00		\$5,575,600.00	\$6,564,100.00
Improvement.....	156,000.00			156,000.00
Deficit.....	242,041.44		22,000.00	264,041.44
Total.....	1,386,541.44		5,597,600.00	6,984,141.44
2. Special Hospitals				
Maintenance.....			347,000.00	347,000.00
Improvement.....				
Deficit.....				
Total.....			347,000.00	347,000.00
3. Children's Hospitals				
Maintenance.....			125,000.00	125,000.00
4. Incurables.....			22,000.00	22,000.00
5. Crippled.....			29,700.00	29,700.00
6. Blind				
Maintenance.....	16,000.00	\$239,250.00	72,000.00	327,250.00
Improvement.....		83,340.02		83,340.02
Deficit.....				
Total.....	16,000.00	322,590.02	72,000.00	410,590.02
7. Deaf and Dumb				
Maintenance.....	150,500.00	648,000.00	45,000.00	843,500.00
Improvement.....		180,000.00		
Deficit.....	36,267.95			216,267.95
Total.....	186,787.95	828,000.00	45,000.00	1,059,767.95
8. Tuberculosis Sanatoria and Dispensaries				
Maintenance.....	2,500,000.00		198,200.00	2,698,200.00
Improvement.....				
Deficit.....				
Total.....	2,500,000.00		198,200.00	2,698,200.00
9. General Administration and Statistics				
Maintenance.....	2,799,160.00			2,799,160.00
Improvement.....				
Deficit.....	1,000.00			1,000.00
Total.....	2,800,160.00			2,800,160.00
Grand Total—V.....	\$6,889,469.39	\$1,150,590.02	\$6,434,500.00	\$14,472,559.41

TABLE II.—CONTINUED.

(VI) Education.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
1. Elementary Schools				
Maintenance.....	\$23,487,000.00	.....	.....	\$23,487,000.00
Improvements.....	.....	.....	.....	.....
Deficit.....	.....	.....	.....	.....
Total.....	23,487,000.00	.....	.....	23,487,000.00
2. Secondary Education				
Maintenance.....	2,187,000.00	.....	\$2,340,000.00	4,527,000.00
Improvements.....	250,000.00	.....	.....	250,000.00
Deficit.....	259,000.00	.....	.....	259,000.00
Total.....	2,696,000.00	.....	2,340,000.00	5,036,000.00
3. Normal Schools				
Maintenance.....	2,993,000.00	.....	.....	2,993,000.00
Improvements.....	1,325,000.00	.....	.....	1,325,000.00
Deficit.....	582,316.00	.....	.....	582,316.00
Total.....	4,900,316.00	.....	.....	4,900,316.00
4. Pensions and Retirements				
Maintenance.....	1,280,000.00	.....	.....	1,280,000.00
Improvements.....	.....	.....	.....	1,267,000.00
Deficit.....	1,267,000.00	.....	.....	.....
Total.....	2,547,000.00	.....	.....	2,547,000.00
5. Special and Miscellaneous Education				
Maintenance.....	2,466,800.00	.....	336,500.00	2,803,300.00
Improvements.....	.....	.....	.....	1,500,000.00
Deficit.....	1,500,000.00	.....	.....	.....
Total.....	3,966,800.00	.....	336,500.00	4,303,300.00
6. Libraries and Museums				
Maintenance.....	281,523.32	.....	142,500.00	424,023.32
Improvements.....	.....	.....	20,000.00	20,000.00
Deficit.....	.....	.....	.....	.....
Total.....	281,523.32	.....	162,500.00	444,023.32
7. Administration				
Maintenance.....	777,000.00	.....	.....	777,000.00
Improvements.....	.....	.....	.....	.....
Deficit.....	.....	.....	.....	.....
Total.....	777,000.00	.....	.....	777,000.00
Grand Total—VI.....	\$38,655,639.32	.....	\$2,839,000.00	\$41,494,639.32

TABLE II—CONTINUED.

(VII) Miscellaneous Social Services and Departments.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
1. Administration				
a. Welfare and Censorship Maintenance.....	\$348,600.00			\$348,600.00
b. Labor and Industry Maintenance.....	1,752,296.88			1,752,296.88
c. Mines Maintenance.....	676,300.00			676,300.00
Deficit.....	26,300.00			26,300.00
Total.....	702,600.00			702,600.00
d. Forestry Maintenance.....	1,785,000.00			1,785,000.00
Improvements.....	85,000.00			85,000.00
Deficit.....	55,000.00			55,000.00
Total.....	1,925,000.00			1,925,000.00
2. Investigation				
Penal code.....	5,000.00			5,000.00
Poor laws.....	2,500.00			2,500.00
Bonus.....	10,000.00			10,000.00
Reorganization.....	5,000.00			5,000.00
Total.....	22,500.00			22,500.00
3. Services				
Salaries of retiring employees.....	50,000.00			50,000.00
Compensation of disabled State employees.....	100,000.00			100,000.00
Rehabilitation of disabled workmen.....	100,000.00			100,000.00
Constitutional convention.....	285,000.00			285,000.00
Total.....	535,000.00			535,000.00
Grand Total—VII...	\$5,285,996.88			\$5,285,996.88

TABLE II—CONTINUED.

GENERAL SUMMARY.

APPROPRIATIONS TO FOR	State agencies	Semi-State agencies	Private agencies	Total
I—Normal Dependent Adults				
Maintenance.....	\$230,000.00		\$181,200.00	\$411,200.00
Improvements.....				
Deficit.....	20,000.00			20,000.00
Total.....	250,000.00			431,200.00
II—Normal Dependent Children				
Maintenance.....	1,276,000.00		598,300.00	1,874,300.00
Improvements.....				
Deficit.....	86,000.00			86,000.00
Total.....	1,362,000.00		598,300.00	1,960,000.00
III—Protection and Reformation				
Maintenance.....	1,799,306.65	\$551,578.00	213,000.00	2,563,884.65
Improvements.....	493,980.00			493,980.00
Deficit.....	103,490.00	116,000.00		116,000.00
Total.....	2,396,776.65	667,578.00	213,000.00	3,277,354.65
IV—Mental Health				
Maintenance.....	6,400,000.00	420,000.00	30,000.00	6,850,000.00
Improvements.....	1,218,450.00			1,218,450.00
Deficit.....	1,523,973.08	229,887.22		1,753,860.30
Total.....	9,142,423.08	649,887.22	30,000.00	9,822,310.30
V—Physical Health				
Maintenance.....	6,454,160.00	887,250.00	6,412,500.00	13,753,910.00
Improvements.....	156,000.00			156,000.00
Deficit.....	279,309.39	263,340.02	22,000.00	564,469.41
Total.....	6,889,469.39	1,150,590.02	6,434,500.00	14,472,559.41
VI—Education				
Maintenance.....	33,472,323.32		2,819,000.00	36,291,323.32
Improvements.....	1,575,000.00		20,000.00	1,595,000.00
Deficit.....	3,608,316.00			3,608,316.00
Total.....	38,655,639.32		2,839,000.00	41,494,639.32
VII—Miscellaneous				
Maintenance.....	5,119,696.88			5,119,696.88
Improvements.....	85,000.00			85,000.00
Deficit.....	81,300.00			81,300.00
Total.....	5,285,996.88			5,285,996.88
Grand Total				
Maintenance.....	54,751,486.85	1,858,828.00	10,254,000.00	66,864,314.85
Improvements.....	3,528,430.00		20,000.00	3,378,430.00
Deficit.....	5,702,388.47	609,227.24	22,000.00	6,333,615.71
Total.....	\$63,982,305.32	\$2,468,055.24	\$10,326,000.00	\$76,776,360.56

TABLE II—CONTINUED.
CLASSIFIED SUMMARY—EXCLUDING EDUCATION.

	State	Semi-State	Private	Total
All Welfare Agencies				
Maintenance.....	\$21,279,163.53	\$1,858,828.00	\$7,435,000.00	\$30,572,991.53
Improvements.....	1,953,430.00	.....	.....	1,953,430.00
Deficit.....	2,094,072.47	609,227.24	22,000.00	2,725,299.71
Total.....	25,326,666.00	2,468,055.24	7,457,000.00	35,251,721.24
Education				
Maintenance.....	33,472,323.32	.....	2,819,000.00	36,291,323.32
Improvements.....	1,575,000.00	.....	20,000.00	1,595,000.00
Deficit.....	3,608,316.00	.....	.....	3,608,316.00
Total.....	\$38,655,639.32	.....	\$2,839,000.00	\$41,494,639.32

III. The Process of Appropriation.

With this cursory glance at some of the significant facts with respect to the extent and the tendency of the present State grants to private agencies, we can turn to another vital factor in the situation.

How, by whom, and upon what basis, are these grants appropriated and distributed?

The first fact requiring attention is this: Each appropriation to each institution is made in one lump sum directly by the Legislature, and each in a separate act.

Herein lies the basis of one the most serious complaints commonly directed against the present system. The Legislature, being a law unto itself, can grant or withhold, increase or reduce, any appropriation to any institution without cause or the assignment of cause. Each appropriation is granted, therefore, as a favor, not as a right. Each institution's appropriation bill, having been introduced by a member of the Legislature from the district in which the institution is located, becomes a matter of vital importance to that member, as well as to those of his constituents directly interested in the institution. To a certain extent, his constituents tend to measure the value of their representative's service by the degree of his success in obtaining liberal appropriations for local purposes. These appropriations are the most tangible, concrete evidences they have of his influence and industry at the Capitol.

It is entirely possible, in such a situation, for the appropriation bills to become the football of politics in the Legislature. The

recalcitrant member can be punished by those who control the organization of the House by the loss or reduction of his appropriation, and he can be coerced by the threat of such loss or reduction. Even those who are responsible for the management of the institution itself may find themselves restrained by considerations of expediency from making themselves too obnoxious to those in authority in the Legislature. Such a weapon of control does not have to be applied openly or frequently to accomplish its purpose.

It is not necessary to enlarge upon the political *potentialities* of this state of affairs. One aspect of the matter was well presented by the report of the Secretary of the State Board of Public Charities in 1905:

. a growing evil, the institution with great influence being able, under the present system, to secure a much larger appropriation than is possible to a similar institution doing the same service but not possessing the same influence.

Certain checks have been imposed upon the Legislative discretion, but none which effectually restricts its absolute, and therefore possibly arbitrary, control of the distribution of these funds.

The whole process of appropriation, giving full credit to the theoretical value of these checks and controls, is as follows:

1. Each institution that desires State aid is by law required to submit its request to the State Board of Public Charities (now the State Department of Public Welfare).
2. After examining the reports of the institution, inspecting its work, and hearing further evidence, if hearing is desired, the Board (Department) recommends, if it so decides, that a specific lump sum be appropriated to the institution. The recommendations of these numerous specific sums to private agencies are embodied in a "preliminary report," including, also, all of the Board's other recommendations, to the Legislature and to the Governor.
3. Each institution, through a Representative or Senator, or both, from its own district, introduces a bill, carrying the appropriation to itself.
4. These bills are then referred, as introduced, to the Appropriations Committee of the House in which they originate; by it are considered, and near the close of the session are referred back to the House, carrying such appropriations as the Committee approves.

5. They are then considered and passed by this House, usually without debate or question; referred to the second House; by it referred to its own Appropriations Committee; by it considered, usually only through consultation of its chairman with the chairman of the Appropriations Committee of the other House, and finally referred back to the second House, carrying such appropriations as this Committee approves.

6. After approval by the second House, and acceptance by the first House of any changes made by the second, the bills go to the Governor, usually on the last day of the session. He can approve, veto or reduce any item of any bill, subject to the power of the Legislature to restore or repass the bill in its original form by a two-thirds majority of all the members elected to each House. Since the Legislature has always adjourned, after sending the bills to the Governor, he has thirty days in which to act upon them, without fear of being overruled by the Legislature.

Frequently, until very lately, the Appropriations Committees of the two chambers supplemented the information laid before them by the institutions and by the State Board (now Department), through personal visits of inspection made by sub-committees. These inspection trips, which often degenerated into pleasure junkets, have now fallen into the discard as expensive luxuries.

So much for the theory of the process of appropriation. As so often in government, the practice is at variance with the theory at many points.

In the first place, the statute requiring agencies to submit their requests to the Board before submitting them to the Legislature is not invariably observed. In its early years the Board fought valiantly for respect of its prerogatives in this regard and complained bitterly of the disrespect shown to it by the institutions and by the Legislature. Occasional Governors refused to approve appropriations that had not first been laid before the Board for criticism or approval. But as a rule disregard of this formality has not been penalized by Executive veto. At the last session of the Legislature no less than a dozen institutions were granted appropriations without having obeyed the law requiring them to apply first to the State Board for its recommendation (so far as the published records show). This violation of law cannot be

penalized except by the Legislature itself, or by a determined and vigilant Governor, since no Legislature can be bound by its predecessor.

In the second place, the assumption in the theory outlined above, that the bills introduced by the representatives of the institutions will conform to the recommendations of the Board, is utterly unfounded in fact. The Legislature's work begins, not where the Board's work leaves off, but where the Board's work began. An examination of *Table III* (page 239) clearly discloses this fact. It shows the amounts, classified by counties in which the institutions are located, and by types of institutions, (a) originally applied for by the institutions in their requests laid before the Board of Public Charities; (b) recommended by the Board; (c) carried by the bills as introduced into the Legislature; (d) carried by the bills as passed finally by the Legislature; (e) as approved by the Governor; (f) as approved in 1919; (g) the differences in the totals approved by the Governor and those recommended by the Board; (h) the difference between the amounts approved by the Governor in 1921 and those approved in 1919.

It appears from this table, prepared from the official reports at each stage, that the requests of the institutions as presented to the State Board totalled nearly \$17,000,000; that the Board recommended about half this sum, or \$8,500,000; that the institutions then caused bills to be introduced totalling nearly \$15,000,000, or only 10% less than the original requests. The Board's recommendations, in other words, had been effectual in cutting the requests by scarcely a quarter of the amount recommended. A few specific illustrations will suffice. It appears, for example, that two Adams County institutions, though they had not taken the trouble to present their request to the Board, as required by law, yet both received appropriations, aggregating \$7,000. Allegheny County institutions, while for the most part complying with the requirement to submit their claims to the Board, so completely disregarded the Board's recommendations in most instances, that the aggregate amount of appropriations carried by the bills introduced into the Legislature on behalf of the institutions in this county exceeded by more than \$40,000 the amount originally requested from the Board, although, meanwhile, the Board had recommended a cut of one-third from these requests. A hospital

TABLE III.

COUNTIES	Aplica. (a)	Recomm. (b)	Intro. (c)	Final Passage (d)
Adams				
Hospital.....			\$12,000.00	\$5,000.00
Homes (Gen.).....			5,000.00	3,000.00
Total.....			17,000.00	8,000.00
Allegheny				
Hospital.....	\$2,609,300.00	\$1,719,200.00	2,639,000.00	1,663,600.00
Homes.....	588,350.00	356,200.00	601,025.00	336,300.00
Defective.....	165,000.00	130,000.00	165,000.00	95,000.00
Tubercular Sanatorium.....	50,000.00	37,000.00	50,000.00	30,000.00
Total.....	3,412,650.00	2,242,400.00	3,455,025.00	2,124,900.00
Armstrong				
Hospital.....	29,000.00	9,200.00	14,000.00	10,000.00
Total.....	29,000.00	9,200.00	14,000.00	10,000.00
Beaver				
Hospital.....	100,000.00	90,000.00	110,000.00	90,000.00
Home.....	9,000.00	6,600.00	9,000.00	7,000.00
Epileptic.....	15,000.00	15,000.00	15,000.00	15,000.00
Total.....	124,000.00	111,600.00	134,000.00	112,000.00
Bedford				
Berks				
Hospital.....	587,600.00	141,200.00	247,000.00	111,600.00
Homes.....	61,000.00	41,200.00	69,000.00	35,500.00
Tubercular.....			60,000.00	10,000.00
Total.....	648,600.00	182,400.00	376,000.00	157,100.00
Blair				
Hospital.....	142,000.00	92,000.00	142,000.00	92,000.00
Total.....	142,000.00	92,000.00	142,000.00	92,000.00
Bradford				
Hospital.....	85,000.00	42,000.00	85,000.00	45,000.00
Bucks				
Hospital.....	12,000.00	12,000.00	12,000.00	12,000.00
Homes.....	30,000.00	11,000.00	30,000.00	11,000.00
Total.....	42,000.00	23,000.00	42,000.00	23,000.00
Butler				
Hospital.....	280,000.00	13,000.00	280,000.00	22,000.00
Cambria				
Hospital.....	513,000.00	195,000.00	513,000.00	155,000.00
Homes.....	6,000.00	6,000.00	8,000.00	6,000.00
Total.....	519,000.00	201,000.00	521,000.00	161,000.00
Cameron				
Carbon				
Center				
Hospital.....	35,000.00	22,000.00	32,000.00	20,000.00
Chester				
Hospital.....	127,000.00	89,000.00	125,000.00	83,000.00
Epileptic.....	24,000.00	16,000.00	24,000.00	18,000.00
Total.....	151,000.00	105,000.00	149,000.00	101,000.00

TABLE III—CONTINUED.

COUNTIES	Governor (e)	1919 (f)	Net Change from recom. (g)	Net Change from 1919 (h)
Adams				
Hospital.....	\$4,000.00	.....	x \$4,000.00	x \$4,000.00n
Homes.....	3,000.00	.....	x 3,000.00n	x 3,000.00n
Total.....	7,000.00	.....	x 7,000.00n	x 7,000.00n
Allegheny				
Hospital.....	1,509,700.00	\$1,679,800.00	y 209,500.00	y 170,100.00
Homes.....	308,000.00	304,600.00	y 48,200.00	x 3,400.00
Defective.....	85,500.00	69,689.20	y 44,500.00	x 15,810.80
Tubercular.....	27,000.00	30,000.00	y 10,000.00	y 3,000.00
Total.....	1,930,200.00	2,084,089.20	y 312,200.00	y 153,889.20
Armstrong				
Hospital.....	9,000.00	8,000.00	y 200.00	x 1,000.00
Beaver				
Hospital.....	76,500.00	62,000.00	y 13,500.00	x 14,500.00
Homes.....	6,500.00	7,000.00	y 100.00	y 500.00
Epileptic.....	13,500.00	15,000.00	y 1,500.00	y 1,500.00
Total.....	96,500.00	84,000.00	y 15,100.00	x 12,500.00
Bedford				
Berks				
Hospital.....	100,000.00	102,500.00	y 41,200.00	y 2,500.00
Homes.....	32,500.00	35,000.00	y 8,700.00	y 2,500.00
Tubercular.....	5,000.00	.....	x 5,000.00n	x 5,000.00n
Total.....	137,500.00	137,500.00	y 44,900.00	.....
Blair				
Hospital.....	83,600.00	93,000.00	y 8,400.00	y 9,400.00
Bradford				
Hospital.....	40,000.00	40,000.00	y 2,000.00	.....
Bucks				
Hospital.....	10,000.00	9,000.00	y 2,000.00	x 1,000.00
Homes.....	10,000.00	10,000.00	y 1,000.00	.....
Total.....	20,000.00	19,000.00	y 3,000.00	x 1,000.00
Butler				
Hospital.....	20,000.00	20,000.00	x 7,000.00	.....
Cambria				
Hospital.....	141,500.00	153,000.00	y 53,500.00	y 11,500.00
Homes.....	5,000.00	4,500.00	y 1,000.00	x 500.00
Total.....	146,500.00	157,500.00	y 54,500.00	y 11,000.00
Cameron				
Carbon				
Center				
Hospital.....	18,000.00	20,000.00	y 4,000.00	y 2,000.00
Chester				
Hospital.....	76,200.00	82,400.00	y 12,800.00	y 6,200.00
Epileptic.....	16,500.00	18,000.00	x 500.00	y 1,500.00
Total.....	92,700.00	100,400.00	y 12,300.00	y 7,700.00

x—increase

y—decrease

n—new: i. e. not aided in 1919 appropriations.

TABLE III—CONTINUED.

COUNTIES	Application	Recommend.	Introduced	Final Passage
Clarion Clearfield Hospital.....	\$127,800.00	\$67,500.00	\$127,000.00	\$62,500.00
Clinton Hospital.....	66,000.00	62,000.00	66,000.00	62,000.00
Columbia Hospital.....	73,500.00	31,000.00	63,500.00	24,000.00
Crawford Hospital.....	69,101.72	50,400.00	62,200.00	49,000.00
Homes.....	21,000.00	8,600.00	21,000.00	6,500.00
Total.....	90,101.72	59,000.00	83,200.00	55,500.00
Cumberland Hospital.....	25,000.00	18,000.00	30,000.00	16,000.00
Dauphin Hospital.....	166,794.00	58,000.00	100,000.00	54,000.00
Homes.....	57,500.00	42,500.00	56,000.00	37,100.00
Total.....	224,294.00	100,500.00	156,000.00	91,100.00
Delaware Hospital.....	120,000.00	104,000.00	104,000.00	86,000.00
Homes.....	.....	.....	3,000.00	3,000.00
Total.....	120,000.00	104,000.00	107,000.00	89,000.00
Elk Hospital.....	24,000.00	24,000.00	24,000.00	22,000.00
Erie Hospital.....	302,000.00	132,200.00	216,000.00	135,000.00
Homes.....	39,500.00	27,000.00	42,500.00	23,600.00
Delinquents.....	5,000.00	1,200.00	5,000.00	2,000.00
Total.....	346,500.00	160,400.00	263,500.00	160,600.00
Fayette Hospital.....	95,000.00	57,600.00	78,000.00	69,000.00
Forest Franklin Hospital.....	54,000.00	10,600.00	54,000.00	10,600.00
Homes.....	2,500.00	2,500.00	2,500.00	2,000.00
Total.....	56,500.00	13,100.00	56,500.00	12,600.00
Fulton Greene Hospital.....	10,000.00	Refused	12,000.00	10,000.00
Huntingdon Hospital.....	25,000.00	20,000.00	25,000.00	15,000.00
Indiana Hospital.....	60,000.00	35,000.00	35,000.00	30,000.00
Jefferson Hospital.....	110,000.00	76,600.00	89,000.00	75,600.00
Homes	29,000.00	24,000.00	24,000.00	18,000.00
Total.....	139,000.00	100,600.00	113,000.00	93,600.00

TABLE III—CONTINUED.

COUNTIES	Approved	1919	Net Change from Rec.	Net Change from 1919
Clarion				
Clearfield				
Hospital.....	\$54,500.00	\$53,000.00	y \$13,000.00	x \$1,500.00
Clinton				
Hospital.....	52,500.00	48,000.00	y 9,500.00	x 4,500.00
Columbia				
Hospital.....	21,000.00	21,000.00	y 10,000.00	.....
Crawford				
Hospital.....	45,000.00	49,000.00	y 5,400.00	y 4,000.00
Homes.....	6,000.00	6,000.00	y 2,600.00	.....
Total.....	51,000.00	55,000.00	y 8,000.00	y 4,000.00
Cumberland				
Hospital.....	16,000.00	18,000.00	y 2,000.00	y 2,000.00
Dauphin				
Hospital.....	50,500.00	56,000.00	y 7,500.00	y 5,500.00
Homes.....	33,800.00	34,200.00	y 8,700.00	y 400.00
Total.....	84,300.00	90,200.00	y 16,200.00	y 5,900.00
Delaware				
Hospital.....	76,500.00	82,000.00	y 27,500.00	y 5,500.00
Homes.....	3,000.00	.....	x 3,000.00n	x 3,000.00n
Total.....	79,500.00	82,000.00	y 24,500.00	y 2,500.00
Elk				
Hospital.....	20,000.00	21,000.00	y 4,000.00	y 1,000.00
Erie				
Hospital.....	119,500.00	126,000.00	y 12,700.00	y 6,500.00
Homes.....	21,300.00	23,000.00	y 5,700.00	y 1,700.00
Delinquents.....	2,000.00	2,800.00	x 800.00	y 800.00
Total.....	142,800.00	151,800.00	y 17,600.00	y 9,000.00
Fayette				
Hospital.....	62,000.00	66,500.00	x 4,400.00	y 4,500.00
Forest				
Franklin				
Hospital.....	10,600.00	13,000.00	.....	y 2,400.00
Homes.....	2,000.00	2,000.00	y 500.00	.....
Total.....	12,600.00	15,000.00	y 500.00	y 2,400.00
Fulton				
Greene				
Hospital.....	8,000.00	7,000.00	x 8,000.00r	x 1,000.00
Huntingdon				
Hospital.....	13,500.00	15,000.00	y 6,500.00	y 1,500.00
Indiana				
Hospital.....	27,000.00	26,000.00	y 8,000.00	x 1,000.00
Jefferson				
Hospital.....	67,500.00	72,600.00	y 9,100.00	y 5,100.00
Homes.....	16,000.00	14,000.00	y 8,000.00	x 2,000.00
Total.....	83,500.00	86,600.00	y 17,100.00	y 3,100.00

x—increase.

y—decrease.

n—new; i. e., not aided in 1919 appropriations.

r—refused by Board.

TABLE III—CONTINUED.

COUNTIES	Application	Recommend.	Introduced	Final Passage
Juniata				
Lackawanna				
Hospital.....	\$314,500.00	\$173,800.00	\$319,500.00	\$194,500.00
Homes.....	123,000.00	71,700.00	92,000.00	64,000.00
Tubercular.....	20,000.00	8,000.00	12,000.00	8,000.00
Total	457,500.00	253,500.00	423,500.00	266,500.00
Lancaster				
Hospital.....	270,000.00	65,200.00	180,000.00	65,000.00
Homes	26,000.00	17,000.00	25,000.00	17,000.00
Total	296,000.00	82,200.00	205,000.00	82,000.00
Lawrence				
Hospital.....	79,000.00	72,400.00	80,000.00	61,000.00
Homes.....	18,000.00	9,200.00	18,000.00	9,200.00
Total	97,000.00	81,600.00	98,000.00	70,200.00
Lebanon				
Hospital.....	45,000.00	24,000.00	24,000.00	22,000.00
Homes.....	55,000.00	5,000.00	55,000.00	4,500.00
Total	100,000.00	29,000.00	81,000.00	26,500.00
Lehigh				
Hospital.....	270,000.00	122,000.00	270,000.00	125,000.00
Homes.....	10,000.00	4,000.00	7,500.00	4,000.00
Total	280,000.00	126,000.00	277,500.00	129,000.00
Luzerne				
Hospital.....	736,700.00	312,800.00	591,700.00	310,000.00
Homes.....	11,000.00	4,600.00	17,000.00	7,600.00
Total	747,700.00	317,400.00	608,700.00	317,600.00
Lycoming				
Hospital.....	75,000.00	70,000.00	75,000.00	67,000.00
Homes.....	51,000.00	39,500.00	51,500.00	36,400.00
Total	126,000.00	109,500.00	126,500.00	103,400.00
McKean				
Hospital.....	98,883.56	46,000.00	94,700.00	42,000.00
Homes.....	5,000.00	2,400.00	5,000.00	2,400.00
Tubercular.....	15,000.00	Refused	5,000.00	5,000.00
Total	118,883.56	48,400.00	104,700.00	49,400.00
Mercer				
Hospital.....	67,000.00	53,000.00	67,000.00	60,000.00
Delinquents	25,000.00	10,000.00	25,000.00	9,000.00
Total	92,000.00	63,000.00	92,000.00	69,000.00
Mifflin				
Hospital.....	47,200.00	30,000.00	47,200.00	20,000.00
Monroe				
Hospital.....	38,000.00	7,000.00	10,000.00	7,000.00
Montgomery				
Hospital.....	119,000.00	33,000.00	146,000.00	35,000.00
Homes.....	21,000.00	11,000.00	12,000.00	9,000.00
Delinquents.....	50,000.00	34,000.00	34,000.00	30,000.00
Tubercular.....	100,000.00	90,000.00	100,000.00	90,000.00
Total	290,000.00	168,000.00	292,000.00	164,000.00

TABLE III—CONTINUED.

COUNTIES	Approved	1919	Net Change from Rec.	Net Change from 1919
Juniata				
Lackawanna				
Hospital.....	\$177,000.00	\$177,000.00	x \$ 3,200.00	.....
Homes.....	58,000.00	55,200.00	y 13,700.00	x \$2,800.00
Tubercular.....	7,200.00	7,200.00	y 800.00	.....
Total	242,200.00	239,400.00	y 11,300.00	.....
Lancaster				
Hospital.....	59,000.00	60,000.00	y 6,200.00	y 1000.00
Homes.....	15,400.00	16,000.00	y 1,600.00	y 600.00
Total	74,400.00	76,000.00	y 7,800.00	y 1,600.00
Lawrence				
Hospital.....	55,000.00	56,000.00	y 17,400.00	y 1,000.00
Homes.....	8,400.00	9,200.00	y 800.00	y 800.00
Total	63,400.00	65,000.00	y 18,200.00	y 1,800.00
Lebanon				
Hospital.....	20,000.00	22,000.00	y 4,000.00	y 2,000.00
Homes.....	4,000.00	4,000.00	y 1,000.00	.....
Total	24,000.00	26,000.00	y 5,000.00	y 2,000.00
Lehigh				
Hospital.....	103,000.00	96,000.00	y 19,000.00	x 7,000.00
Homes.....	4,000.00	4,000.00	.....	.....
Total	107,000.00	100,000.00	y 19,000.00	x 7,000.00
Luzerne				
Hospital.....	260,500.00	207,000.00	y 52,300.00	x 53,500.00
Homes.....	7,300.00	4,400.00	x 2,700.00	x 2,900.00
Total	267,800.00	211,400.00	y 49,600.00	x 56,400.00
Lycoming				
Hospital.....	60,000.00	67,000.00	y 10,000.00	y 7,000.00
Homes.....	33,500.00	35,400.00	y 6,000.00	y 1,900.00
Total	93,500.00	102,400.00	y 16,000.00	y 8,900.00
McKean				
Hospital.....	35,500.00	35,000.00	y 10,500.00	x 500.00
Homes.....	2,400.00	4,000.00	.....	y 1,600.00
Tubercular.....	4,500.00	5,000.00	x 4,500.00	y 500.00
Total	42,400.00	44,000.00	y 6,000.00	y 1,600.00
Mercer				
Hospital.....	49,000.00	44,000.00	y 4,000.00	x 5,000.00
Delinquent.....	8,500.00	9,000.00	y 1,500.00	y 500.00
Total	57,500.00	53,000.00	y 5,500.00	x 4,500.00
Mifflin				
Hospital.....	18,000.00	20,000.00	y 12,000.00	y 2,000.00
Monroe				
Hospital.....	5,000.00	4,000.00	y 2,000.00	x 1,000.00
Montgomery				
Hospital.....	32,000.00	37,000.00	y 1,000.00	y 5,000.00
Homes.....	8,000.00	8,000.00	y 3,000.00	.....
Delinquent.....	27,000.00	24,000.00	y 7,000.00	x 3,000.00
Tubercular.....	80,000.00	50,000.00	y 10,000.00	x 30,000.00
Total	147,000.00	119,000.00	y 21,000.00	x 28,000.00

TABLE III—CONTINUED.

COUNTIES	Application	Recommend.	Introduced	Final Passage
Montour				
Northampton				
Hospital.....	\$40,000.00	\$28,000.00	\$40,000.00	\$29,000.00
Homes.....	24,000.00	16,600.00	24,000.00	21,000.00
Total.....	64,000.00	44,600.00	64,000.00	50,000.00
Northumberland				
Hospital.....	24,000.00	16,000.00	18,000.00	16,000.00
Perry				
Pike				
Philadelphia				
Hospital.....	5,206,000.00	2,370,900.00	4,294,400.00	2,351,900.00
Homes.....	824,000.00	443,700.00	647,100.00	360,400.00
Delinquents.....	6,000.00	5,000.00	6,000.00	5,000.00
Deficient.....	108,000.00	63,000.00	98,000.00	68,000.00
Tubercular.....	165,400.00	68,000.00	100,000.00	80,000.00
Total.....	6,309,400.00	2,950,600.00	5,145,500.00	2,865,300.00
Potter				
Hospital.....	6,000.00	6,000.00	12,500.00	8,000.00
Homes.....	3,000.00	3,000.00	3,000.00	3,000.00
Total.....	9,000.00	9,000.00	15,500.00	11,000.00
Schuylkill				
Hospital.....	100,000.00	58,000.00	135,000.00	70,000.00
Homes.....	7,500.00	5,000.00	7,500.00	40,000.00
Total.....	107,500.00	63,000.00	142,500.00	74,000.00
Snyder				
Somerset.				
Sullivan				
Susquehanna				
Hospital.....	18,000.00	5,500.00	18,000.00	5,000.00
Tioga				
Hospital.....	.....	.....	10,000.00	2,000.00
Homes.....	.....	.....	1,000.00	1,000.00
Total.....	.....	.....	11,000.00	3,000.00
Union				
Homes.....	10,000.00	3,000.00	10,000.00	4,000.00
Venango				
Hospital.....	50,000.00	26,800.00	50,000.00	49,000.00
Tubercular.....	10,000.00	5,000.00	10,000.00	5,000.00
Total.....	60,000.00	31,800.00	60,000.00	54,000.00
Warren				
Hospital.....	24,000.00	21,200.00	24,000.00	21,000.00
Washington				
Hospital.....	240,000.00	59,400.00	97,500.00	54,600.00
Wayne				
Hospital.....	.....	.....	5,000.00	4,000.00
Westmoreland				
Hospital.....	184,639.50	92,600.00	164,639.50	108,600.00
Homes.....	16,000.00	12,000.00	16,000.00	14,000.00
Total.....	200,639.50	104,600.00	180,639.50	122,600.00

TABLE III—CONTINUED.

COUNTIES	Approved	1919	Net Change from Rec.		Net Change from 1919	
Montour						
Northampton						
Hospital.....	\$26,000.00	\$29,000.00	y	\$2,000.00	y	\$3,000.00
Homes.....	16,300.00	14,000.00	y	300.00	x	2,300.00
Total.....	42,300.00	43,000.00	y	2,300.00	y	700.00
Northumberland						
Hospital	15,000.00	18,000.00	y	1,000.00	y	3,000.00
Perry						
Pike						
Philadelphia						
Hospital.....	2,126,400.00	2,132,700.00	y	244,500.00	y	6,300.00
Homes.....	321,800.00	335,800.00	y	121,900.00	y	14,000.00
Delinquents.....	4,500.00	5,000.00	y	500.00	y	500.00
Deficient.....	61,200.00	49,000.00	y	1,800.00	x	12,200.00
Tubercular.....	70,000.00	58,000.00	x	2,000.00	x	12,000.00
Total.....	2,583,900.00	2,580,500.00	y	366,700.00	x	3,400.00
Potter						
Hospital	7,400.00	6,000.00	x	1,400.00	x	1,400.00
Homes.....	2,500.00	1,000.00	y	500.00	x	1,500.00
Total.....	9,900.00	7,000.00	x	900.00	x	2,900.00
Schuylkill						
Hospital	61,000.00	60,000.00	x	3,000.00	x	1,000.00
Homes.....	4,000.00	4,000.00	y	1,000.00	.....	.....
Total.....	65,000.00	64,000.00	x	2,000.00	x	1,000.00
Snyder						
Somerset						
Hospital		14,000.00	.....	.....	y	14,000.00
Sullivan						
Susquehanna						
Hospital	4,000.00	4,000.00	y	1,500.00	.....	.....
Tioga						
Hospital	2,000.00	.....	x	2,000.00n	x	2,000.00n
Homes.....	1,000.00	.....	x	1,000.00n	x	1,000.00n
Total.....	3,000.00	.....	x	3,000.00n	x	3,000.00n
Union						
Homes	3,600.00	2,500.00	x	600.00	x	1,100.00
Venango						
Hospital	27,000.00	36,000.00	x	200.00	y	9,000.00
Tubercular.....	4,500.00	5,000.00	y	500.00	y	500.00
Total.....	31,500.00	41,000.00	y	300.00	y	9,500.00
Warren						
Hospital	20,000.00	23,000.00	y	1,200.00	y	3,000.00
Washington						
Hospital	51,600.00	54,400.00	y	7,800.00	y	2,800.00
Wayne						
Hospital	3,600.00	.....	x	3,600.00n	x	3,600.00n
Westmoreland						
Hospital	92,000.00	82,000.00	x	600.00	x	10,000.00
Homes.....	12,000.00	12,000.00	.....	.....	.....	.....
Total.....	104,000.00	94,000.00	y	600.00	x	10,000.00

TABLE III—CONTINUED.

COUNTIES	Application	Recommendation	Introduced	Final Passage
Wyoming				
York				
Hospital.....	\$ 51,000.00	\$ 36,000.00	\$ 51,000.00	\$ 30,000.00
Homes.....	34,500.00	29,000.00	31,500.00	24,500.00
Total.....	85,500.00	65,000.00	82,500.00	54,500.00
Grand Total				
Hospital.....	\$13,926,018.78	\$6,901,100.00	\$12,116,839.50	\$6,787,500.00
Homes, etc.....	2,520,850.00	1,476,500.00	2,273,625.00	1,316,500.00
Tubercular.....	360,400.00	208,000.00	337,000.00	228,000.00
Total.....	16,807,268.78	8,585,600.00	14,727,464.50	8,332,000.00
Wyoming	Approved	1919	Net Change from Rec.	Net Change from 1919
York				
Hospital.....	27,000.00	28,000.00	y 9,000.00	y 1,000.00
Homes.....	21,200.00	20,000.00	y 7,800.00	x 1,200.00
Total.....	48,200.00	48,000.00	y 16,800.00	x 200.00
Grand Total	\$6,069,600.00	\$6,255,900.00	y\$ 831,500.00	y\$ 186,300.00
Hospital.....				
Homes.....				
Delinquent.....	1,189,200.00	1,162,289.20	y 287,300.00	x 26,910.80
Deficient.....				
Tubercular.....	198,200.00	155,200.00	y 9,800.00	x 43,000.00
Total.....	7,457,000.00	7,573,389.20	y 1,128,600.00	y 116,389.20

in Armstrong County, again, while not entirely willing to abide by the Board's recommendations—perhaps fearing to be too modest in its request to the Legislature, lest others, less modest, might thereby gain undue advantage—cut its request to the Legislature about one-half below its request to the Board, but still held a margin of safety by asking one-half more than the Board recommended. Beaver County institutions, following Allegheny County's lead, introduced bills carrying appropriations actually exceeding the requests laid before the Board. Blair County institutions, on the other hand, introduced bills carrying appropriations identical with those originally requested from the Board, exceeding the Board's recommendations by half. And so through the list appears the same ruthless disregard of the Board's judgment. Not more than a dozen institutions, all told, modified their requests to the Legislature by any substantial amount because of the Board's recommendations. Yet the Board (now the Department) is the official adviser of the Legislature and the possessor of the only detailed fact and the only expert, disinterested judgment connected with the situation.

If the judgment of the Board is disregarded by the institutions and their Legislative representatives, it is a little more respected

by the Legislature and its committees. *Table III* (page 239) also throws light on this subject. While the last session is not entirely typical—the pressure on the State's purse having led to reductions all along the line, thus bringing the possible variations within narrower limits—significant discrepancies still appear. Of the counties to whose private institutions the Legislature itself approved appropriations, 22 were granted amounts in excess of the recommendations of the Board; 27 received amounts less than the Board recommended, and only 5 received amounts identical with the Board's recommendations. The Legislature's treatment of individual institutions is equally undiscriminating (tabulation of the history of individual appropriation bills is omitted as unnecessarily voluminous, but the following figures are taken from the same official records from which *Table III*, page 239, was compiled): in just 98 instances out of more than 300, did the amounts voted by the Legislature exactly coincide with those recommended by the Board, its expert adviser; in 52 cases the Legislature granted more than the Board advised; in 129 instances it granted less. In 11 additional cases, the Legislature granted appropriations despite the fact that the Board, after consideration of requests, had refused to recommend anything; in another 14 instances appropriations were made despite the failure of the Board to make any recommendation, either because requests were not laid before it, or because sufficient data were not at hand to warrant a sound judgment. In one further case, the Legislature failed to make an appropriation, despite the Board's recommendation. In short, in less than one-third of all possible cases was the Board's advice followed.

That this is not an isolated and extraordinary record is proved by the following figures, compiled from similar tabulations covering the four latest sessions of the Legislature:

EXPLANATORY NOTE.—Column I shows percentage of appropriations, as passed by the Legislature, identical with recommendations of the Board of Public Charities.

Column II, percentage of such appropriations exceeding recommendations of the Board.

Column III, percentage less than recommendations.

Column IV, percentage granted, despite refusal of Board to recommend appropriations.

Column V, percentage granted without recommendation by Board.

Column VI, percentage of appropriations withheld, despite Board's recommendation.

TABLE B.

SESSION	I	II	III	IV	V	VI
1915.....	34.4	20.6	35.1	.....	6.4	3.4
1917.....	32.7	28.0	35.8	3.4	.....	.....
1919.....	43.8	20.5	31.8	3.7	.....	.....
1921.....	32.1	17.0	42.2	3.6	4.6	.3

If the Governor's power were used to correct the discrepancies created by the Legislature, the situation would not be so deplorable. But while this power usually brings the appropriations into more general harmony with the recommendations of the advisory Board, it falls far short of the ideal. Table C below, showing, in columns corresponding to those in Table B above, the relations of the appropriations approved by the Governor to those recommended by the Board of Public Charities at each of the last four sessions of the Legislature, clearly summarizes the situation.

TABLE C.

SESSION	I	II	III	IV	V	VI
1915....	21.4	6.0	64.7	.....	2.4	5.2
1917.....	31.1	14.6	51.7	.....	2.4	.....
1919.....	47.1	15.8	32.6	.....	4.1	.3
1921.....	7.2	13.4	71.0	3.3	4.6	.3

It will be noted that in most instances the percentage of appropriations identical with the Board's recommendations is less after the Governor has acted upon them than as they emerge from the Legislature, and that the percentage of appropriations less than the Board's recommendations is considerably greater, while the percentage of appropriations exceeding the Board's recommendations is considerably less. This reflects another weak point in the system, namely, the absence of any authoritative guide to the Board as to the amount of the total fund available for distribution in this way. The amounts finally available, therefore, are usually less than the Board has recommended in the aggregate, and the Governor has the painful duty of paring appropriations from one end of the list to the other, the Legislature cheerfully passing the duty on to him, by approving appropriations far in excess of the prospective revenues.

Compelled to act hurriedly upon hundreds of appropriation measures, the Governor is usually compelled to make either a horizontal cut or to cut indiscriminately. Since he cannot increase appropriations granted by the Legislature, he cannot remedy discrepancies caused by inadequate appropriations. The last two sessions of the Legislature are particularly illuminating examples of the defects of this procedure, since the Governor then in office had plainly stated his intention of relying upon the advice of his official advisers, the State Board, and had so warned the Legislature. Yet in one of these sessions nearly one-sixth of all the appropriations, and in the other session nearly one-seventh, exceeded the recommendations of the State Board, despite the admitted necessity for retrenchment in expenditure.

The net result of this process of appropriation is an unsystematic, unbusinesslike apportionment of the funds, which is liable to become purely arbitrary, since it encourages, if not enforces, disregard of the only exact information available as a guide to those responsible for the distribution.

IV. Accounting For Appropriations.

Those receiving the funds of the State are, of course, held to some account by the State for the use made of the money. Two apparent checks are imposed. The first is the periodical audit by representatives of the Auditor-General; the second, occasional, at least annual, inspections by, and reports to the State Board of Public Charities (now the Department of Public Welfare).

It is not contemplated in the law that the Auditor-General shall participate in the management of the institutions, and only where express provisions or clear implications of the law are violated can he interfere with the expenditure of funds appropriated by the Legislature. The State audit is confined to determining whether the money is used for the purpose stipulated in the appropriation act, and to ascertaining what part of the appropriation is due and payable by reason of expenditures incurred under the act. Since, however, the vast majority of appropriation acts stipulate only that the funds appropriated shall be used "for purposes of maintenance," without further specifications, the power of the Auditor-General to advise, direct, control or restrict expenditures is exceedingly circumscribed. As a matter of fact, the instances in

which appropriated funds are withheld from social agencies for any other reason than the lack of available funds in the Treasury have been few and far between.

The authority of the State Board, and its successor, the Department of Public Welfare, is more extensive. Having the express right to examine into every phase of management, with the additional prerogative of recommending to the Legislature the amount to be appropriated to each, and having the function of receiving and examining annual and quarterly reports from each, it is obviously in a position to exercise a more effective influence upon management and expenditure.

The present Department has been more amply equipped than the former Board for the proper exercise of its important functions. It has installed for the first time a uniform system of accounting in all State-aided agencies of a given class, so that it is now possible to obtain satisfactory reports of service and expenditure, by which real comparisons can be made between institutions, with the object of discovering sources of economy and efficiency and of eliminating waste. It has a larger number of inspectors, specializing in their work, so that each can become more thoroughly acquainted with the needs and operations of a particular kind of agency. It is developing standards by which to measure the service of each group of agencies, as to quantity, cost and quality. Taking advantage of the more extensive data at its command, it is preparing to apply a systematic policy in determining how much should be appropriated to each class of agencies, and how the fund for each class should be distributed, in order that this distribution may be equitable and economical.

The comprehensive survey of institutions of every kind, undertaken by the Department as its first important piece of business, has laid the ground work for a reconstruction of policy and procedure along sound, scientific lines.

V. The Basis of Appropriations.

The facts assembled up to this point have demonstrated that the present appropriations to private charitable and correctional agencies have not been based upon any principle deduced from facts at hand. They have largely been determined without regard to the only exact information available and therefore must have

been in large measure capricious. Economy, efficiency and sound business management require the establishment of definite principles, as guides and controls in the distribution of this fund. The following principles are submitted as affording one, in some respects the only, sound basis of policy in this field. Each one is discussed in the light of present practice.

1. *The State should definitely decide what kinds of work it will itself support, and should grant aid only to institutions performing those kinds of service.*

The division of labor in the welfare field between the State, its local subdivisions and private philanthropy cannot be dogmatically determined once for all. It is largely a question of expediency, decided by experience. However, it should not be a matter of accident, but of choice. If the State thoughtlessly enters upon a wide variety of enterprises, some of which have been regarded as local responsibilities, it produces a confusion of authority, a diffusion of responsibility, a duplication of effort which is costly and wasteful. On the other hand, the best and most economical results will be achieved if the State undertakes that part of the necessary welfare work which the State as a whole can most effectively perform, or which cannot, for any reason, be well performed by local communities, and then authorizes and encourages or requires the local communities to perform those tasks that they can undertake effectively.

Pennsylvania's funds have been distributed indiscriminately. It has already been pointed out that the greater part of the subsidy fund is devoted to a purpose not foreseen and acknowledged as a proper State responsibility, simply as a result of the insistent requests of individual institutions, returning again and again to the State Board and to the State Legislature for aid in carrying increased burdens. The rest of the fund is applied, as a result of the same sort of individual appeals, to all sorts of objects, from the care of the aged to the maintenance of a day nursery or social settlement, without even fleeting consideration of the questions whether the entrance of the State into those fields of effort was necessary, wise or expedient, or whether State funds could be better applied in other directions, or whether by relieving some communities of these responsibilities the State would not encourage neglect of similar needs elsewhere.

Particularly unfortunate has been the result in the children's field. The failure of the State to define its own responsibilities and those of the local communities has led to neglect, amounting to abuse, of thousands of its dependent children. Literally thousands of local authorities have the power to take children from their own homes and to make them dependent upon the public treasury, and hardly any two of them are guided by the same principle or policy. The State then pays for the care of some of them, and not of others—not by reason of deliberate policy or choice, but according to the degree of insistence with which individual agencies having the children in charge apply for State aid. It is inconceivable that such unsystematic, unbusiness-like procedure would not be enormously wasteful in the long run, besides subjecting these helpless wards of the State to unnecessary dangers and hardships.

2. The State should definitely decide under what conditions an individual is properly dependent upon the State.

It is the duty of the individual citizen to support himself if he can. Those who are able to pay for the service rendered to them in time of need should do so. The duty of responsible relatives to provide for their own kin, should next be emphasized. The resources of insurance funds, compensation funds, co-operative relief funds, properly responsible employers, and other similar agencies, prepared to meet just such emergencies, should be applied in every rightful case, before public funds are drawn upon. Otherwise the State is unwittingly and unwisely encouraging dependence; it is, to a certain degree, pauperizing its own people.

The Department of Public Welfare is to be commended for its prompt attention to this important matter. It has caused every hospital receiving State aid to establish a so-called Credit Department, whose sole business is to investigate, in a spirit of reasonable and sympathetic service, the ability of patients—of whose ability there is any reasonable question—to pay, in whole or part, for the service rendered to them. The operations of this department are entirely separate and distinct from those of the admissions office. Patients continue to be admitted simply on the ground of need for service, without regard to their capacity to pay for the service. The patient is protected against the loss of self-respect and independence which follows the unnecessary acceptance of charity;

the State is protected against the use of its funds in unnecessary and demoralizing ways.

This definition of policy, with its resultant economies and efficiency, is in happy contrast with the conditions that have long prevailed in the State. So long as the State has stood ready to make up to the institution practically the whole of the deficit incurred in its operations, without inquiring too closely whether that deficit was incurred by the free service of patients who could properly pay, and without inquiring more than occasionally and accidentally, what patients were being treated without full pay, there has been a lack of adequate stimulus to vigilant attention to this matter. There is overwhelming testimony to the effect that the State's funds have been applied to the payment of cost of service of patients who, at the same time, were paying substantial fees to their personal physicians and surgeons. There is every probability that relatives have escaped their proper responsibilities for the support and care of legitimate dependents. It is commonly reported, and is obviously possible, that persons, perfectly able to pay, have escaped, through friendship or influence, their own proper obligations for service rendered.

All this should be made impossible—temptation should be absolutely removed—by a proper definition of the conditions under which the State's funds could be properly applied to the care of individuals, and by a proper reporting and inspection of the actual operations of this phase of institutional management. It would be desirable if this could be accomplished by law, so that the policy would be permanent and beyond the possibility of evasion by any administrative authority. The present policies of the Department in this matter are sound and serviceable, but should be protected against destruction or reversal in the future.

3. The State should confine its aid to amounts which will properly compensate agencies for the care of State wards, and aid should be granted at an equitable and uniform rate to agencies rendering substantially the same service.

It is well to remember that the State's aid is extended primarily, though indirectly, to the *beneficiaries* of the service of a given agency, not to the agency itself. The State's proper obligation, therefore, cannot exceed the actual cost of the service rendered to those beneficiaries for whom, in accordance with the policy

enunciated in the preceding paragraphs, the State accepts responsibility. If it grants more than the cost of this service, it is not helping the beneficiaries but is enriching the institution, or is thrusting charity upon those who need not, and ought not, to accept it.

Since this principle is so obviously sound, it is commonly assumed and asserted that the State's appropriations are based upon the actual "*cost of free service rendered.*" It is the general impression, reinforced by a loose use of terms in official reports, that the amounts appropriated to individual hospitals, for example, approximately equal the actual cost of an actual number of "*days of free service*" computed from the hospital records of patients actually served, and reported to the Board of Public Charities, and thence to the Legislature. This is far from the case.

The appropriations have conformed more or less closely to the deficit incurred in the operations of the hospital, whether that deficit was occasioned by free service rendered, by failure of pay patients to pay a proper full charge for services rendered, by failure of the local community to contribute its proper share to the maintenance of the institution, by inefficient or extravagant management, or by some other cause. It is this "*apparent need*," without any real reference to "*free service*," which has been the basis of appropriations, in so far as any single plan has been followed in the past. The "*number of free days of service*" reported by most institutions has been a mythical, mathematical figure arrived at through dividing the deficit by the "*average cost per patient per day*," not by adding together the actual number of days of service to specific patients who did not pay for the service.

For the first time, the uniform accounting system recently installed in State-aided institutions is providing the means by which to discover the actual number of "*free days*" and the actual cost of this *free service*, as distinguished from the more elaborate and more costly service usually provided for "*private*" or "*pay*" patients. Since the system has not yet been in operation long enough to provide a full year's data, for comparision with any past year's returns, it is impossible to measure the practical difference between the two methods, but it is obvious that the present method is based upon specific records, subject to direct inspection, designed to disclose, both to the management and the State, the exact truth,

and calculated to encourage a plain and exact use of terms; the former method is based upon general records, incapable of thorough analysis or comparison, confusing, inexact, and conducive to misunderstanding and misrepresentation.

But even if the amounts and costs of "free service," as reported in the past, actually stated the fact, the State's appropriations have not been apportioned accordingly, as the figures clearly show. The extreme irregularity of appropriations, in comparison with the State Board's recommendations, has already been shown in Section III and *Table III*.

But even the State Board's recommendations do not conform to this mythical measure of "free service." According to the official reports of the Board, containing the detailed reports of the institutions, and the preliminary reports of the Board, containing the Board's recommendations, published just prior to each session of the Legislature, it appears that the amounts recommended by the Board have ranged from 15 to 125 percent of the "cost of free work" reported by the institutions for the preceding year.

It is unnecessary here to reprint these official documents, or substantial parts of them. Suffice it to say that at the last session of the Legislature, as an example, the recommendations of the Board with respect to the first forty hospitals (in alphabetical order) that received appropriations, varied from 16 to 126 percent of the reported cost of their free service, while the appropriations granted and approved to the same hospitals varied from 16 to 119 percent of the same reported cost. To four hospitals reporting practically the same amount of free service rendered, the Board recommended, respectively, 41, 69, 78, and 126 per cent of the reported cost of that work. To another group of hospitals reporting substantially the same amount of free work done, the Board recommended 54, 80 and 103 percent of the cost of this work, respectively. In the case of two hospitals reporting almost exactly equal free service, the board recommended an appropriation of \$100,000 to one, and half that amount to the other. Similar discrepancies appear throughout the list of the Board's recommendations as compared with the reports of work done during the period just preceding the one for which the recommendations are made.

Just as striking discrepancies appear when the appropriations approved and paid are compared with the "free service" rendered during the period for which the appropriations are made. The reports of State-aided hospitals for the year ending May 31, 1922, though not yet published, have been made available for our study by the Department of Public Welfare. This has provided a basis of comparison between the appropriations made and the service rendered during the latest appropriation period. This material, with some other pertinent facts later referred to, is contained in *Table V*, page 258.

The attention is at once challenged by the wide variation in the compensation paid by the State "per free day" of service as reported by the institution. Leaving out of consideration extreme cases, for which special circumstances not known to the writer may possibly account, it appears that the State's appropriations have varied, among general hospitals, all the way from \$0.44 per "free day" reported, to \$15.38 per "free day." Variations from \$1.00 to more than \$3.00 per "free day" are frequent throughout the list. It is perfectly obvious that either the appropriations are grossly disproportionate to the service rendered, or that the standards of service, of management and of reporting are so various as to make satisfactory comparison impossible. In either event, the distribution of State funds in this fashion is indefensible.

4. The State's aid should be granted only to agencies that maintain a reasonable minimum standard of equipment and service. Provision may properly be made for suitable compensation for additional service above this minimum, within reasonable limits.

Again it is necessary to assert that the purpose of the State in dispensing these funds is to serve the individual human beings who are in need of service. The State cannot accept a responsibility for helping and serving these people, and then discharge that responsibility in a way that does not protect the individual against unsanitary, unwholesome surroundings, against unenlightened or inadequate treatment, and against neglect and exploitation. The State is bound by the strongest of all obligations—that which the able owe to the disabled, the strong to the weak—to make certain that no unnecessary hardship, no avoidable lack of opportunity for restoration to normal life, is imposed upon its dependent wards.

TABLE V.
HOSPITALS.

COUNTY INSTITUTION No.	No. beds	Total hospital days	Total free days	Per cap. cost	Appopr. per annum	Appopr. per free day
Allegheny						
1.....	450	111,063	62,259	\$4.11	\$87,500.00	\$1.40
2.....	100	13,146	2,878	3.46	8,100.00	2.81
3.....	125	28,554	9,868	3.05	20,000.00	2.02
4.....	90	29,476	26,250	3.50	27,000.00	1.02
5.....	Sect.					
6.....	43	12,361	5,660	4.47	16,500.00	2.91
7.....	160	52,989	19,616	4.71	65,000.00	3.31
8.....	35	8,244	4,975	3.65	13,000.00	2.61
9.....	160	43,822	12,866	3.16	50,000.00	3.88
10.....	Sect.					
11.....	Sect.					
12.....	60	10,295	4,086	3.42	15,000.00	3.67
13.....	Sect.					
14.....	Sect.					
15.....	Sect.					
16.....	550	207,009	62,102	2.25	92,500.00	1.48
17.....	200	38,925	12,225	2.49	11,250.00	.92
18.....	Sect.					
19.....	60	13,906	1,894	3.73	9,000.00	4.75
20.....	215	52,687	14,057	3.94	50,000.00	3.55
21.....	65	15,874	2,346	3.55	7,500.00	3.19
22.....	475	127,881	42,052	3.22	55,000.00	1.30
Adams						
23.....	5,475	1,095	.....	.....	2,000.00	1.82
Armstrong						
24.....	22	6,923	737	4.80	4,500.00	6.10
Beaver						
25.....	68	9,269	4,381	3.10	11,000.00	2.51
26.....	Sect.					
27.....	51	15,124	7,072	2.65	16,000.00	2.26
Berks						
28.....	90	15,441	3,831	2.72	10,000.00	2.55
29.....	132	42,327	20,124	3.09	22,500.00	1.11
30.....	Sect.					
Blair						
31.....	165	34,925	19,162	2.99	27,000.00	1.40
32.....	75	19,521	10,005	3.10	8,500.00	.85
33.....	58	6,523	2,775	2.51	6,300.00	2.26
Bradford						
34.....	200	56,096	28,150	3.11	20,000.00	.71
Bucks						
35.....	35	5,635	2,370	3.48	5,000.00	2.11
Butler						
36.....	60	14,479	2,149	2.42	10,000.00	4.65
Cambria						
37.....	Sect.					
38.....	140	53,374	22,138	2.71	36,000.00	1.62
39.....	53	19,175	2,228	2.82	7,250.00	3.25
Center						
40.....	50	8,740	3,132	3.22	9,000.00	2.87
Chester						
41.....	110	29,865	14,842	2.10	8,100.00	.54
42.....	45	8,469	6,302	3.84	11,000.00	1.74
43.....	80	8,675	4,162	3.53	7,000.00	1.68
44.....	55	12,161	4,658	2.53	12,000.00	2.57
Clearfield						
45.....	90	26,074	5,667	3.37	12,500.00	2.20
46.....	Sect.					
47.....	60	11,084	3,959	3.55	3,500.00	.88

TABLE V.
HOSPITALS.—CONTINUED.

COUNTY INSTITUTION No.	No. beds	Total hospital days	Total free days	Per cap. cost	Appopr. per annum	Appopr. per free day
Clinton						
48.....	60	16,507	10,660	\$2.63	\$22,500.00	\$2.11
49.....	25	3,966	1,242	3.62	3,750.00	3.01
Columbia						
50.....	50	6,994	4,148	2.77	5,000.00	1.20
51.....	60	13,110	4,459	2.66	5,500.00	1.23
Crawford						
52.....	60	10,912	1,074	3.32	10,500.00	9.77
53.....	40	9,594	506	2.27	7,000.00	13.83
54.....	26	4,986	1,729	4.22	5,000.00	2.89
Cumberland						
55.....	56	9,442	3,947	4.23	8,000.00	2.02
Dauphin						
56.....	150	38,609	21,639	3.35	18,750.00	.86
57.....	52	13,321	8,034	3.04	4,000.00	.49
58.....	20	(?) 2,000	673	7.11	2,500.00	3.71
Delaware						
59.....	156	26,950	16,233	3.52	33,250.00	2.04
60.....	35	9,360	3,384	2.76	5,000.00	1.47
Elk						
61.....	50	11,037	3,297	3.07	10,000.00	3.03
Erie						
62.....	50	9,484	4,388	4.69	5,000.00	1.14
63.....	180	48,515	25,198	4.72	26,250.00	1.04
	Sect.	.....	.....	.....	.....	.....
Fayette						
65.....	40	12,565	3,100	4.37	10,000.00	3.22
66.....	110	34,400	8,861	2.87	21,000.00	2.36
Franklin						
67.....	50	11,933	1,850	2.52	5,300.00	2.85
Greene						
68.....	26	5,190	1,671	3.05	4,000.00	2.39
Huntingdon						
69.....	62	10,969	4,540	3.44	6,750.00	1.48
Indiana						
70.....	75	20,470	4,331	2.92	13,500.00	3.11
Jefferson						
71.....	61	Report not received	2.73	20,250.00	.....	.....
72.....	30	8,206	6.18	3,000.00	2.62	.....
73.....	52	9,424	4.02	10,500.00	6.28	.....
Lackawanna						
74.....	90	17,890	10,073	2.12	16,750.00	1.66
75.....	118	27,097	16,150	3.48	25,000.00	1.53
76.....	36	9,338	2,401	3.52	9,000.00	3.74
77.....	Sect.	.....	.....	.....	.....	.....
78.....	50	12,946	4,535	2.14	12,500.00	2.75
79.....	65	19,710	14,710	2.28	22,500.00	1.52
Lancaster						
80.....	50	8,460	6,302	2.44	11,000.00	1.74
81.....	135	40,524	9,205	3.18	22,500.00	2.44
Lawrence						
82.....	26	5,294	1,727	2.87	2,000.00	1.15
83.....	Sect.	.....	.....	.....	.....	.....
84.....	80	13,464	4,265	4.22	12,000.00	2.81

TABLE V.
HOSPITALS—CONTINUED.

COUNTY INSTITUTION No.	No. beds	Total hospital days	Total free days	Per cap. cost	Apprro. per annum	Apprro. per free day
Lebanon						
85.....	83	8,176	4,389	\$4.11	\$10,000.00	\$2.27
Lehigh						
86.....	206	Report not Sect.	received	3.35	22,500.00	.....
87.....	206	42,889	22,821	4.48	20,000.00	.87
Luzerne						
89.....	148	38,042	13,422	3.10	49,500.00	3.68
90.....	59	15,828	4,739	2.82	3,750.00	.79
91.....	65	16,995	9,711	2.00	12,500.00	1.28
92.....	225	56,209	27,205	3.61	60,000.00	2.20
93.....	39	8,902	5,804	2.41	4,500.00	.77
Lycoming						
94.....	186	43,870	11,807	2.51	30,000.00	2.54
McKean						
95.....	118	12,770	2,421	2.95	5,750.00	2.37
96.....	86	21,877	8,035	2.18	12,000.00	1.49
Mercer						
97.....	150	15,049	3,229	3.31	13,500.00	4.18
98.....	32	5,236	1,639	3.50	5,000.00	3.05
99.....	15	2,480	390	5.87	6,000.00	15.38
Mifflin						
100.....	50	5,219	5,035	2.71	9,000.00	1.78
Monroe						
101.....	17	4,085	1,110	3.05	2,500.00	2.25
Montgomery						
102.....	90	15,740	4,574	3.08	9,000.00	1.96
103.....	80	11,186	7,241	2.82	6,000.00	.82
104.....	35	4,381	2,123	3.04	1,000.00	.47
Northampton						
105.....	110	17,236	7,921	3.25	13,000.00	1.64
Northumberland						
106.....	32	8,491	3,220	3.78	7,500.00	2.33
Philadelphia						
107.....	41	9,680	1,198	3.94	7,500.00	6.25
108.....	27	6,338	3,676	4.62	11,500.00	3.12
109.....	56	Report not Sect.	received	3.22	.....	.....
110.....	200	32,757	17,197	3.36	27,000.00	1.56
111.....	9	496	34	31.00	2,000.00	58.82
112.....	71	10,111	2,802	3.35	10,000.00	3.56
113.....	128	30,787	10,322	4.11	30,000.00	2.90
114.....	52	Report incorrect		3.13	8,000.00	.....
115.....	175	43,705	30,292	4.25	13,500.00	.44
116.....	62	15,169	15,169	2.16	11,250.00	.74
117.....	320	81,789	17,545	3.99	65,000.00	3.70
118.....	79	18,364	2,056	4.64	9,000.00	4.37
119.....	408	139,373	23,932	3.60	90,000.00	3.76
120.....	Sect.	.....	.....	.....	.....	.....
121.....	76	24,191	2,448	3.50	11,000.00	4.49
122.....	250	64,713	17,801	4.65	11,250.00	.63
123.....	75	9,373	4,151	3.43	13,000.00	3.13
124.....	30	5,230	3,021	2.69	3,500.00	1.15
125.....	151	33,954	13,157	5.30	25,000.00	1.90
126.....	150	18,024	3,792	3.87	20,000.00	5.27
127.....	65	15,117	8,681	3.93	18,500.00	2.13
128.....	Sect.	.....	.....	.....	.....	.....
129.....	69	24,834	5,496	4.97	57,500.00	10.45
130.....	?	4,349	1,742	?	3,750.00	2.15
131.....	38	9,288	348	5.04	2,000.00	5.74
132.....	31	7,121	2,164	5.96	2,250.00	1.04
133.....	72	14,559	7,202	3.42	11,000.00	1.52

TABLE V.
HOSPITALS—CONTINUED.

COUNTY INSTITUTION No.	No. beds	Total hospital days	Total free days	Per cap. cost	Appopr. per annum	Appopr. per free day
Philadelphia —Continued.						
134.....	136	28,154	6,692	\$5.09	\$21,000.00	\$3.13
135.....	135	37,132	17,734	5.29	45,000.00	2.53
136.....	25	Report not received	18,46	1,500.00	.....	.....
137.....	60	5,309	3,489	4.05	9,000.00	2.57
138.....	Sect.					
139.....	60	14,799	7,696	3.13	8,500.00	1.10
140.....	Sect.					
141.....	55	14,819	6,073	4.77	18,000.00	2.96
142.....	Sect.					
143.....	160	44,148	13,244	3.46	37,750.00	2.85
144.....	67	15,172	908	4.08	2,700.00	2.97
145.....	433	108,412	55,830	4.75	90,000.00	1.61
146.....	65	10,506	4,236	3.48	8,500.00	2.00
147.....	76	23,305	10,884	3.63	11,250.00	1.09
148.....	112	22,132	22,132	2.64	27,000.00	1.21
149.....	150	31,966	20,892	3.33	18,750.00	.89
150.....	185	33,734	16,288	4.43	30,000.00	1.84
151.....	49	10,147	2,465	3.41	9,000.00	3.65
152.....	100	26,548	16,565	4.22	22,000.00	1.32
Potter						
153.....	?	1,715	120	New	1,000.00	8.33
153.....	25	1,478	546	2.49	2,700.00	4.94
Schuylkill						
155.....	Not yet opened				5,000.00	.....
156.....	?	8,954	2,324	?	3,000.00	1.29
157.....	120	34,261	22,880	3.15	22,500.00	.98
Susquehanna						
158.....	14	3,236	2,609	4.48	2,000.00	.76
Tioga						
159.....	?	2,604	222	New	1,000.00	4.50
Venango						
160.....	41	5,510	1,785	3.27	6,000.00	3.36
161.....	75	11,351	2,395	3.68	7,500.00	3.13
Warren						
162.....	97	19,435	1,822	3.38	10,000.00	5.48
Washington						
163.....	40	5,293	1,858	2.46	2,300.00	1.23
164.....	28	4,830	936	3.62	2,500.00	2.67
165.....	70	12,818	1,666	3.25	9,500.00	5.70
166.....	?	25,447	8,482	3.92	11,500.00	1.35
Wayne						
167.....	3,394	237	.....	New	1,800.00	7.59
Westmoreland						
168.....	71	17,896	4,971	2.98	7,000.00	1.40
169.....	40	9,699	2,271	2.93	8,000.00	3.52
170.....	50	Report not received	2.84	13,500.00	.....	.....
171.....	90	24,978	6,708	2.76	17,500.00	2.62
York						
172.....	125	21,984	13,312	2.86	13,500.00	1.01

Too often in the past, inadequate and undesirable conditions have been perpetuated, rather than removed, by the State's aid. It is time that it be definitely recognized as State policy, that an institution which cannot or does not provide a reasonable minimum of equipment and service for its beneficiaries has no right to exist. The funds which it dispenses can more properly and profitably be employed in the maintenance of other agencies that can and do provide the necessary service. Hardship would not be caused, but avoided, by the rigid enforcement of this rule.

A sliding scale of compensation, within reasonable limits, for service according to quality, as measured by specific, concrete facilities, would provide a feasible and legitimate means of encouraging progress in all agencies. This would involve certain simple classifications, which are discussed in Section VI, where practical proposals are made for immediate action.

5. The State's aid should not be so great as to discourage local citizen interest in the development and support of the institution.

One of the unquestionable advantages of the policy of joining State funds to private enterprise in the welfare field, as under the subsidy policy here discussed, is the advantage which flows from the personal interest and activity of individual citizens, prompted by humanitarian impulses, in promoting the welfare of unfortunate neighbors and fellow-citizens. "If the State were to carry this burden alone, and to render this service only through public institutions," we are told, "we would lose this intimate personal service which means so much to the individual in need and to the community as a whole."

There is much to be said for this point of view. But the argument falls to the ground if all responsibility for the development of philanthropic enterprises and for their maintenance is transferred from the local community to the central State government. The necessity and incentive for local and individual effort is thereby removed. No community can feel the same interest in an institution in which the contributions and sacrifices of its own citizens are not at stake, as it would feel if it were helping to sustain the work with its own resources.

To prevent this result, certain policies are essential. First, the present policy of granting State appropriations only for purposes of maintenance and not of construction and improvement, should

be rigidly followed. This leaves, as a constant spur to local initiative and pride, the necessity for expansion of the institution to meet growing or changing needs. There are other considerations involved in this policy, but this is important.

Second, the State should not in any case bear the whole cost of free service, but only a fair proportion of it, leaving to the local community and private philanthropists the opportunity to contribute to its support.

Third, this proportion should be, so nearly as possible, uniform throughout the State. Otherwise, the State will bear the burdens of some communities and not of others. If there is need of helping some communities more than others, it should be done deliberately, with knowledge of the facts, and not accidentally or without reason.

Table V (page 258) throws additional light upon this phase of the matter. For example, compare the State's treatment of Hospital 1 in this Table with its treatment of Hospital 9. In the one case, it contributed about one-third of the per capita per diem cost of free patients* (see footnote); in the other about a quarter more than the cost. Compare its treatment of Hospital 24 with its treatment of Hospital 32. In the first instance, it contributed about one-quarter more than the reported cost of each hospital day for the preceding year; in the second case, it contributed only about one-quarter of the cost. Further examples are superfluous, but are easy to discover in this lengthy table. It is perfectly clear that the State has relieved some local communities of practically all their hospital charity obligations and in others has shared only a small part of those obligations.

6. The State's aid should be available, upon substantially equal terms, to all its citizens in the same circumstances, no matter where they live.

State funds are gathered for the benefit of all the people of the State, not a part of them. They are properly supposed to be expended for purposes whose benefits reach to all the people, not those of particular localities. No one has proposed that the State support the schools of one district and not of another, or that the children of one locality shall be entitled to education in State-aided

*The per capita per diem cost given in this table is for the year preceding the appropriation. The relative costs for the year of the appropriation did not vary materially.

schools, while those who happen to live in another shall have to shift for themselves. No one has suggested that the State build roads in one community, and not in another whose needs are the same. The school funds are available on equal terms to every district, directly in proportion to need, as determined by specific factors. The highway fund is being employed to construct the highway system of the whole State, which has been carefully charted so that each locality may benefit in proportion to its need.

There seems to be no satisfactory basis, in principle, for taking a different position with respect to the performance of other welfare services by the State. There is, for example, no apparent good reason to justify the State in declaring that it will care for a sick or injured resident of one community in a well-equipped hospital near at hand, and will leave the sick or injured citizen of another community to be cared for at home or at heavy expense somewhere else. There is no apparent good reason for the State to provide for the dependent children of one community in a local home or asylum, or by subsidizing a private agency finding foster homes for these little wards of the community, while it leaves another local community to provide for its own children as best it can or will.

Any sound system of State welfare administration and of welfare appropriations should provide for a reasonably uniform distribution of the benefits throughout the Commonwealth. Accident of residence should not deprive one citizen or community of opportunities that are freely and generously provided by the State for another. This principle is already in force with respect to the care of children in their own homes. The Mothers' Assistance Fund, provided for this purpose, is available to all communities on the same terms. A substantially similar plan is applied to the fund for the care and treatment of the indigent insane. It is applicable and should be applied to all forms of State welfare work.

While so radical a departure from the established custom is not now specifically recommended, attention is called to the possibility and desirability of placing all the State's welfare subsidy funds on a basis that will insure reasonable uniformity in the distribution of benefits, in proportion to need.

How far the present distribution falls short of this ideal can be clearly seen by an examination of *Table III*, page 239.

It will be seen from this Table that fourteen counties contain no State-aided private institutions of any kind. These counties contain a population of more than 325,000. They include, beside numerous small rural counties, several closely settled districts of large industrial importance. Still more significant are the facts concerning the distribution of particular kinds of service, in the shape of subsidies, by the State. In addition to these fourteen counties that contain no State-aided institutions, there is one other which contains no State-aided hospital. There are, in addition to the non-aided counties, 27 counties that contain no State-aided agencies for the care of dependent children. In other words, 26 counties contain State-aided institutions or agencies for dependent children, while 41 do not. In addition to the 14 non-aided counties, there are 42 that contain no State-aided institutions for adults. Stated another way, the State aids institutions for dependent adults in 11 counties, but not in 56. The State aids private institutions for protection or reformation of delinquent children, or those who are likely to become delinquent, in 9 counties, but does not contribute to the support of such institutions in 58 others.

Even making allowance for the possible utilization of State-aided institutions by persons residing outside the counties in which these institutions are situated, it is obvious that some communities are more conveniently and more amply served by the State funds than others similarly situated and equally entitled to State help. It has not been possible to examine all institutions with respect to this particular problem, but nearly 100 of the 172 State-aided hospitals have submitted data from which some conclusions can fairly be drawn as to the extent to which they serve territory not otherwise served by the State fund devoted to maintenance of private hospitals.

The Philadelphia returns are suggestive. This is a medical center, to which the rest of the State would naturally turn for hospital treatment. Twenty-five hospitals have reported something about the geographical distribution of their patients. While the figures from some of the largest and most patronized institutions are not adequate for purposes of analysis, it is interesting to discover that one institution, with a total service of nearly 45,000 patient days, gave only 393 days of free service to patients residing

outside the city. The number of these patients who reside in counties not otherwise served by State-aided hospitals is doubtless small. Another Philadelphia hospital, with a record of more than 25,000 patient days of service, reported "outside work is so small as to be practically negligible." Still another, with a total service of nearly 30,000 patient days, while reporting 1,274 days of service as having been given free to non-Philadelphians, showed by careful analysis that only 4 patients had been admitted from counties receiving no hospital subsidies. Eleven other institutions, with a combined service of nearly 300,000 patient days, reported a total free service to non-Philadelphians of about 8,000 days, and of these relatively few, it appears from the careful analyses submitted by several of these institutions, were given to residents of counties not otherwise served by subsidized hospitals.

In the other end of the State, Jefferson County, through two of its three subsidized hospitals, reports total service to patients residing outside its boundaries of considerably less than 700 free days. Careful analysis shows only 4 patients who resided in a county not receiving State aid for private hospitals. One institution reported no such patients served. Counties which receive subsidies for their hospitals sent more patients in proportion to population, to Jefferson County's subsidized hospitals, than did those counties adjoining Jefferson that received no subsidies. Obviously, the lack of subsidized hospital facilities in Clarion County, for example, is not compensated for by service given by its next-door neighbor county, Jefferson, amply supplied with such facilities. Indeed, it appears from the reports of institutions on or near the borders of the State that the free service given to residents of adjoining States considerably overbalances the free service rendered to residents of Pennsylvania counties not otherwise provided for by the State.

This is in no sense to be regarded as a reflection upon these institutions. It is simply submitted as an indication of the lack of attention that has heretofore been paid to the question whether the State funds distributed in subsidies to private institutions are equitably serving the people of the State, in accordance with the needs of the several sections of the State, or are being applied in such fashion as to neglect the needs of some Pennsylvania communities, while in some instances actually serving those for whom Pennsylvania has no proper responsibility or obligation.

7. The State's funds entrusted to private agencies should be subject to thorough-going control and accounting.

The lack of uniform record-keeping, now happily ended by the action of the State Department of Public Welfare, has in years past prevented the necessary control of its own funds by the State. The uniform books now installed are an absolutely essential first step toward proper State supervision.

By a thorough record and classification of expenditures, in the first place, the institutions themselves are helped to realize their own defects of management and leaks of expense, if any exist. In the second place, the State, by possessing reports from all institutions of the same class, based on uniform records, subject to no misunderstanding, is in a position for the first time effectively to compare the expenditures of institutions and to make its recommendations and advice suit the circumstances of each case in the light of the experience of others in the same position. In the third place, and perhaps most important of all, the amount of service for which the State may be expected to pay is definitely calculable, not on the basis of any mythical mathematical computation, but on the basis of actual individual records. Finally, the cost of serving patients in public wards of hospitals, for example, (the only patients for whom the State now accepts responsibility, under rulings of the Department) can be, and is actually, differentiated from the cost of serving private patients, so that patients or inmates who can pay the full cost of their service may hereafter be required to pay that cost, while the service for which the State pays will be charged to the State at the actual cost of that service, without being confused with or increased by the cost of service rendered to private patients or inmates.

In thus putting the records and reports of expenditures on a strictly business basis, capable of easy assembly and interpretation, the State has taken a long step forward toward an economical and efficient administration of its subsidy fund. The practicability of the new accounting system is indicated by the fact that for the most part it is a simplification of forms recommended by special committees of the American Hospital Association, whose members would themselves be subject to its requirements. A similar set of forms has long been used by the United Hospital Fund institutions of New York, a voluntary organization of large and small hospitals

not different, in character, from those in Pennsylvania subject to the supervision of the State Department.

A suitable modification of records and reports has lately been devised for State-aided institutions other than hospitals, and when the Department completes the installation of these forms, it will have achieved one of the principal aims of its organization—the more careful and exact supervision of the social agencies assisting the State in the performance of its welfare tasks.

It should be stated, however, that while the quarterly reports now called for by the Department will contain all the useful information accumulated by the institutions in the course of their work, the annual reports, upon which the actual appropriations are largely based, do not, apparently, differentiate between the cost of free service and of private service, and should be made to conform, in their essentials, to the records which the institutions are required to keep.

VI. Some Practical Proposals for Immediate Action.

In the light of these principles, certain specific changes of policy and procedure may now be definitely recommended:

(A) In accordance with the fundamental requirement that the State should limit and define the kinds of social work for which it will accept responsibility in whole or in part, in order that its own program may be efficiently carried out, and in order that its appropriations may be determined upon the basis of forethought and planning, rather than accident or guesswork, it is urgently recommended that the State's aid be extended only to those private agencies that are carrying on efficient work for the following groups:

- (1) the sick and injured;
- (2) dependent and neglected children;
- (3) (for the immediate future only) the aged and infirm.

(1) While strict logic, supported by the experience and policy of most other Commonwealths, suggests doubts as to the desirability of State support of general hospitals (including the State's own hospitals in the mining regions) it is clearly impracticable and inadvisable at this time to disturb a relationship of long standing

upon which many necessary hospitals now rely for continued existence. Unless and until other provision is made for the support of these institutions, they must continue to receive the major part of the State fund devoted to the support of agencies not under State control.

(2) No group is more clearly entitled to State protection, falls more clearly within the State's welfare province, than the dependent and neglected children who are taken from their own homes in the name of the State and whose treatment and training is so important a factor in the future welfare of the State. Future consideration and experience may demonstrate that this protection can best be afforded through local administrative bodies or local public officials, representing the State only indirectly; or the conclusion may be reached that County Boards of Child Welfare, analogous to—perhaps growing out of—the Mothers' Assistance Boards, may be the most effective agents of the State. Future events—especially the consideration of a special commission which, it is to be hoped, will be appointed in the near future to study, codify and revise the whole chaotic mass of legislation affecting children in Pennsylvania—may indicate that the whole cost, as well as the primary responsibility, of caring for these children should rest with the local governments.

For the present, however, the compelling fact stands out that the State is accepting responsibility for a large number of children through the Mothers' Assistance Fund; that it is accepting responsibility for many more through its subsidies to private institutions and home-finding agencies, and that more and more it is accepting and discharging its responsibility for that great number of children who by reason of mental or physical defect are in need of long-continued, highly intensive and exceedingly delicate and difficult care, treatment and training. It is also accepting more and more definitely and effectively its responsibility for equalizing opportunities for its children through efficient public education.

This is a field, then, in which the State is already deeply engaged, one in which it offers the best present prospect of successful management, and one in which it can logically and feasibly operate.

(3) It is recognized that the proposal to cut off subsidies to private homes for adults may, if immediately and suddenly accepted, result in some hardship to aged and infirm dependents,

and possible disorganization of necessary agencies for their care. For that reason a recommendation for immediate abandonment of this class of appropriations to private agencies is not pressed.

However, it is urged as an early objective of State policy.

In this connection it should be noted that the care of the aged and infirm was originally and, until relatively lately in Pennsylvania, has remained a definite responsibility of the local governments. To that end the State has encouraged and regulated the establishment of local "almshouses" or "county homes," so-called, and has authorized the administration of other relief by local poor directors. The fact that these institutions and agencies have not functioned successfully—either in the right spirit or with the right tools—may call for drastic changes of policy by the State. But for the State to enter on a haphazard policy of subsidizing a few private agencies here and there through the State is to add confusion to inefficiency and is calculated to encourage further neglect and failure on the part of local public authorities.

If the State is dissatisfied with the care which it tolerates for some of its aged and infirm dependents—and it has good reason to be dissatisfied—it should correct the faults of its own handiwork and not seek to provide agreeable and satisfying care and surroundings for some of its aged wards, while leaving the great majority in homes of which it is ashamed.

Strong arguments may be advanced for the institution of a system of old-age pensions or insurance, as a substitute for the whole almshouse system. This is worthy of serious consideration. In the meantime, less enduring hardship would be caused by the withdrawal of State aid from institutions for the aged, than by any other reduction of State responsibility in the welfare field. Local public institutions are at hand, which by a word from the State can be made wholly habitable and comfortable for those for whom no tie of blood, friendship, fraternal or religious relationship exists which would lead to other suitable provision for the declining years.

By the careful, thoughtful delimitation of State responsibility and activity, as suggested, an end would be made of the constant expansion and variation of State functions in the welfare field by the easy addition of one agency after another to the list of subsidized institutions. Encouragement would be given to the pro-

motion of those activities for which the State is now, and should be, primarily responsible, and which suffer from lack of funds and foresighted planning. Local governmental agencies would be held to closer account for the performance of their own proper duties. Private funds and energies would be directed into the channels where they would be of greatest use. In short, system, foresight, plan, would take the place of chaos and confusion, and the way would be cleared for a comprehensive welfare program, based upon principles of efficiency and economy.

(B) In further accord with the same principle and policy, it is earnestly recommended that aid be immediately withdrawn from certain small groups of agencies, lately admitted to the subsidy list without adequate reason. They are alike in the fact that their service is necessarily restricted to small local neighborhoods. They are alike in the further fact that while only one or two of each class are now assisted by the State, there are scores equally entitled to State aid, whose claims will almost certainly be pressed if a few continue on the favored list.

Such agencies are day nurseries and social settlements. Only two of the former, and one of the latter, are now subsidized. There is no sufficient reason why these should be singled out from the many at work in Pennsylvania. Yet if the State were to undertake the whole, or even a large part, of the task of supporting such agencies where they are in existence or where need for them exists, it would find a limitless field of expenditure without any corresponding advantage. Surely these, of all welfare enterprises, should look to local communities for their support, since they must confine their service to restricted local neighborhoods. If the State will make clear its own determination to leave these projects to local initiative, it will again avoid unnecessary confusion of policy and program, unnecessary and increasing expenditures, and unwise dissipation of its own energies.

(C) In further accord with the same principle, the State should either absorb into its own system of institutions, or abandon to their own devices, a few private agencies devoted to the care of epileptics and defectives. This is a field which is peculiarly the State's own, traditionally, logically and as a matter of expediency.

It is one in which the State has functioned and can function most effectively. Millions have been expended, and millions more must be expended by the State in the development of its own institutions for this purpose, and the allied purpose of caring for mental defectives, regardless of what may be done by private agencies. The situation is not one in which the State can effectively reduce its own burdens by encouraging private agencies. The few thousands of dollars which it annually contributes to support these private agencies are not sufficient to make any substantial difference in the amount of work waiting to be done by the State in the same field. Yet, these appropriations are retarding, by that much, the development of the State's own institutions, and by preserving the appearance of doing a little something in this field, they serve to lull public opinion and Legislative bodies into a false sense of achievement and progress. These private agencies, furthermore, are not well articulated with the State's broad program of mental health promotion and treatment; they are not subject to State control as to admissions, discharge and other important phases of management. State funds so employed, therefore, are not contributing, as economically and effectively as they might do, to the fulfillment of a clear-cut, comprehensive State-wide policy which would spell economy now, and enormous savings hereafter.

There would be an advantage, furthermore, in the existence, side by side, but absolutely separate from each other, of private and public agencies in this field. Each would then be spurred to the highest achievement by friendly competition. The mingling and confusion of private and public responsibility for the same institution, as at present, prevents that freedom of initiative and of experiment on the part of the private agency which should produce its most significant contribution to the public welfare.

(D) In further conformity with the urgent recommendation that the State clearly limit its own responsibility as to the kinds of private agencies which it will financially support or assist, it is recommended that appropriations be withheld from private sanatoria for the treatment and cure of tuberculosis.

This somewhat drastic action is justified upon grounds both of principle and of expediency.

This, again, is a field which the State has deliberately entered and in which it has expended millions through its own agencies.

Three large and constantly expanding sanatoria, now dedicated to the task of restoring to health those upon whom this dread disease has not yet attained a fatal grip, represent a huge investment in the work. More than 100 dispensaries, scattered throughout the State, in every county, originated and now largely supervised—and in some instances sustained—by the State, provide readily accessible advice and educational treatment for those who are predisposed or have been exposed to the malady, or in whom early symptoms have appeared. By action of the last Legislature, counties and groups of counties are authorized and encouraged to erect sanatoria for the care of advanced cases and of those for whom near-home provision is necessary or desirable. A dozen counties have already taken advantage of this law, and more will rapidly follow, under the stimulus of public pressure created by the educational efforts of the State Department and of private agencies, State-wide and local.

A comprehensive and well-articulated system of activities directed to the suppression of this disease has thus been erected by the State, and is being supplemented by private societies, affiliated with State and National agencies devoted to this special purpose, and aided by strenuous efforts to teach health facts and form right health habits in the public schools, where the rising generation comes under the direct eye and influence of the State.

To this provision, to which the State devotes about \$1,500,000 every year, it adds a paltry \$100,000 in the shape of relatively small subsidies to a half-dozen private sanatoria in a few communities. Other private agencies, rendering equally important service, receive no help from the State.

This appears to be a field in which the satisfactory differentiation between public and private effort has been clearly defined by experience. Private agencies have almost everywhere blazed the way by research, by experimentation and by demonstration. Public agencies, accepting the conclusions of these investigations, have then taken up the task of providing acceptable care and treatment for the immense number of patients in need of such service—a task far beyond the limited resources of private philanthropy. There is still a vast need of study, of experimentation and of education, for which private agencies are peculiarly fitted and which they have everywhere eagerly accepted as their special

responsibility. If the withdrawal of State aid of private sanatoria, substantially duplicating the sanatoria provided by the State, were to result, ultimately, in diverting the private funds now devoted to actual care of the tuberculous, into the channels of scientific research, experimentation and education, there would be a clear net gain in the fight against this scourge. Meantime, the private sanatoria which survived, along with those now prospering without State aid, would afford that free, untrammeled competition of ideas and achievements which leads to keener effort and higher standards in both private and public agencies. Nothing is more important than the existence of an unfettered critical opinion, playing upon the operations of public institutions and holding them, by public comparisons, to the highest standards of service.

If fear is felt lest the sudden withdrawal of aid for these institutions may disrupt or disorganize an essential branch of the crusade against tuberculosis, it would be readily possible to adopt a policy of gradual withdrawal, over the next five years, allowing opportunity, meanwhile, for such readjustment in the service, management and financing of these institutions as might be necessary and feasible.

The modifications of the subsidy policy herein suggested, while primarily directed to the establishment of a simple, clear-cut, well-balanced, business-like welfare policy on the part of the State, by the delimitation of State responsibility and the concentration of State effort in those fields where it is most economical and effective, would have the incidental advantage of reducing the State's subsidies by about \$125,000 a year. In view of the obvious necessity of increasing certain welfare appropriations, such as those for Mothers' Assistance, if the State is to be even halfway fair to its own people, this saving should not be unwelcome. If, on the other hand, the savings thus effected were to be devoted to the State's own agencies in the fields served by the private agencies from which the subsidies were withdrawn, the added resources could be employed with equal advantage.

VII. A New Basis of Appropriations.

The simplification and standardization of the subsidy system by the exclusion of miscellaneous agencies and those that do not fall within three clearly defined classes—(1) those caring for the sick and injured; (2) those caring for dependent and neglected children; and (3) those caring for certain aged and infirm dependents (temporarily only)—facilitate the adoption of methods of appropriation and distribution which in themselves would increase the economy and efficiency with which these State funds would be used.

The fundamental objective to be sought in this appropriation and distribution is the *compensation of agencies for actual service rendered*. The amount, then, to which each agency is entitled should be a matter of fact, and not of opinion or guesswork. Did the service rendered by a given agency conform to reasonable standards approved by the State for agencies of its class? How much service did the agency render to persons for whom the State accepts responsibility? (See Section V, sub-section 2.) What was the fair and proper cost of that service? These are the questions, along with those affecting State revenue, that should have weight in determining how much State aid should be given to any particular agency.

Obviously these are not questions which the Legislature can answer for itself. It is not equipped by training or experience to answer them. It has not the time to become equipped to do so or even to arrive at an approximate conclusion, with respect to each of 300 agencies. The Legislature *is* equipped and should have the exclusive responsibility and duty (subject to Executive advice) to determine what kinds of welfare service the State shall assist, and what part of the State's revenues shall be devoted to the assistance of each of these kinds of service. It should also determine on what basis these funds should be apportioned and distributed, in order that justice and equity may be assured to all who are entitled to participate in the benefits of these funds.

So long as the Legislature exercises its right to determine how much each agency shall receive from the State, just so long is there the possibility and practical certainty that the decision will be made not upon fact, but as a result of the balance and battle of

contending influences—personal, sectional, political—without any practical regard for the principle of compensation, as against that of favoritism or friendship.

The principle of determining assistance to agencies by the service rendered, on the other hand, can be applied easily, safely and justly to the distribution of State aid to each of the three classes of agencies for whom such aid is herein recommended, and to any other class that the Legislature may determine to assist. The detailed application of the principle would vary to suit the circumstances of each class, but the same general policy is applicable to them all.

(A) *Appropriations to agencies for the care of the aged and infirm.*

It is recommended that the Legislature appropriate a single lump sum for the care of aged and infirm residents of the Commonwealth in institutions not owned or controlled by the Commonwealth or any of its subdivisions, this sum to be disbursed upon requisition of the Commissioner of Public Welfare, in accordance with conditions and rules set forth in the appropriation act.

These conditions should include at least the following:

(1) That agencies desiring compensation for service under this appropriation shall give notice of such desire within thirty days after the passage and approval of the act, or within thirty days after the opening of the first fiscal year for which the appropriation is made;

(2) That within the same period the Commissioner of Public Welfare shall determine, with the approval of the Advisory Board of the Department, and shall publish, a schedule of minimum standards of equipment, management and service, to which all agencies seeking compensation under the act shall conform, and the amount which shall be regarded as the maximum reasonable cost of service per inmate per diem, as the basis of State compensation for such service;

(3) That no agency shall be entitled to compensation for service rendered to any beneficiary or inmate who is able to pay for the service rendered, or for whose care or support any person, corporation or estate is legally responsible, nor to any beneficiary or inmate concerning whose ability to pay reasonably diligent inquiry has not been made by the responsible officers of the institution;

(4) That no agency shall be entitled to compensation, in the

aggregate, for any one quarter, exceeding 60 % (or some other fixed proportion) of the actual cost to such institution of the service for which the institution is entitled to compensation under this act;

(5) That within ten days following the close of each quarter of the State's fiscal year, each agency claiming compensation for service under this act shall file with the Commissioner of Public Welfare, a sworn statement, showing in such detail and with such supporting evidence as the Commissioner may require, all receipts and disbursements for the preceding quarter, the number of beneficiaries served and the number of days of service rendered to them, the number of days of service for which the institution is entitled to compensation under this act, the average cost per inmate per day of such service, the total cost of service for which the institution is entitled to compensation under the act, and any other pertinent information which the Department may require;

(6) That the Commissioner of Public Welfare shall thereupon examine and verify the statement of the institution, and shall, if the statement is correct, and if the institution has, during the period for which compensation is requested, conformed to law and to the lawful regulations of the Department of Public Welfare, certify these facts to the Auditor-General, together with a statement of the number of days of service rendered by the institution for which it is entitled to compensation by the State; the amount per inmate per day fixed as a maximum reasonable cost of service for agencies of this class (under Paragraph (2) above); the average cost per inmate per day of the institution for whom compensation is authorized; the total amount due to such institution in view of these facts;

(7) That the Auditor-General shall thereupon audit the account in accordance with law, and shall draw a warrant for the amount properly due to the institution under this act;

(8) That the total compensation paid for service rendered by all agencies up to and including any quarterly period shall not exceed the product of the number of quarterly periods that have elapsed during the life of the appropriation multiplied into one-eighth of the total appropriation under the act, and that in the event that the amounts due and payable to all institutions entitled to receive compensation under this act at the end of any quarterly period exceed, in the aggregate, the amount payable from this

appropriation at that time, the amount payable shall be paid pro rata to the agencies entitled to compensation, in proportion to the amounts due, in accordance with the other terms of the act.

It will be noted that this plan leaves to the Department of Public Welfare the administrative and expert task of fixing the minimum standards of service which the State will recognize as warranting compensation by the State; it also leaves to the Department the determination of reasonable maximum cost of such service, which maximum shall be the basis of compensation of all agencies of this class.

Abuse of discretion is provided against, as also unjust discrimination, in the determination whether an agency conforms to standard, by requiring that these standards shall be determined and published in advance for each biennial period, so that the conformity or nonconformity of any agency to the standards is a matter of fact, in which the discretion and judgment of the Department is subject to review by the Court, at the instance of an aggrieved party.

Under this plan, the distribution of the fund would be as nearly automatic, as nearly equitable, as possible; compensation would follow as a right, not as a favor, the rendering of service; the State would be protected against undue exactions, inefficient management, waste of funds. No deficiency could be created. By a gradual reduction of the proportion of the cost of service to be borne by the State, from 60, to 50, to 40, percent, etc., aid could ultimately be withdrawn from this class of agencies, as recommended above, without undue hardship or sudden dislocation.

(B) *Appropriations for the care of dependent, neglected and delinquent children.*

The problem of properly discharging the State's responsibility to private agencies for the care of children is a more complicated and more extensive one. It is clear that in the main the principles applicable to the compensation of agencies caring for adults are also applicable here, and that the main outlines of procedure should be substantially the same.

It is in determining what kinds of service, and what amounts, should be paid for by the State that the problem grows complex.

It is recommended that the Mothers' Assistance Fund be taken as a basis of policy, and that compensation of other kinds of

service be placed on a basis similar to that on which the distribution of the Mothers' Assistance Fund rests; namely, that the State accepts joint responsibility with the locality for the proper care, treatment and support of dependent children apart from their own homes, as well as in their own homes.

It is recommended that, in addition to a lump sum appropriation, as at present, for the Mothers' Assistance Fund, to be disbursed, as at present, among counties that appropriate amounts equal to those to which they are entitled from the State, another lump sum appropriation be made for the care of children adjudged, after proper procedure stipulated by the State, to be dependent or neglected and requiring care and support apart from their own homes.

It is recommended that the disbursement of this fund be upon requisition of the Commissioner of Public Welfare, in accordance with certain conditions and rules set forth in the appropriation act.

These conditions should include at least the following:

(1) That agencies desiring compensation for service under the act shall give notice of such desire to the Commissioner of Public Welfare within thirty days after the passage of the Act, or within thirty days after the commencement of the first fiscal year for which the appropriation is made;

(2) That within the same period the Commissioner of Public Welfare shall determine, with the approval of the Advisory Board of the Department, and shall publish, a schedule of not more than five classes of institutions and agencies for the care of children apart from their own homes and for the placement and supervision of children in foster homes, such classes to be based upon standards of equipment, management and service; such schedule shall also announce a maximum reasonable cost per child per day (or per other unit of service, if such unit is more advisable for any class), which shall be the basis of the State's allowance to agencies of each class;

(3) That no agency shall be entitled to receive compensation from the State for service rendered to any inmate or beneficiary not adjudged dependent or neglected by proper public authority, nor for service to any inmate or beneficiary whose legally responsible relative or guardian is able to pay for such service, in the light

of investigations approved as to their thoroughness by the Commissioner of Public Welfare;

(4) That no agency shall be entitled to compensation, in the aggregate for any one quarter, exceeding 50 % of the actual cost to such agency of the service for which the agency is entitled to compensation under this act.

(5) The procedure of certification, requisition, audit and payment as outlined in Section A (5 to 8) above should be followed in the disbursement of this fund, as well.

If it were not for the difficult political problems involved, a recommendation that the Mothers' Assistance Fund procedure should be followed even more closely would be pressed at this time. That is to say, a recommendation would be submitted that the Children's fund be distributed, as the Mothers' Assistance Fund is distributed, exclusively through local public officials, preferably the Mothers' Assistance Fund Boards themselves, transformed into general Child Welfare Boards; that the fund be divided and apportioned, as the Mothers' Assistance Fund is divided and apportioned, among the counties in proportion to their population, and upon the condition that the counties appropriate amounts equal to those allotted by the State; that this fund be then disbursed by the local Boards, to private agencies, if necessary, subject to regulations by the State Department as to acceptable standards and types of service.

This, it is suggested, would be a logical, consistent, rational development and unification of the State's child welfare work, built upon experience, and adapted to present circumstances. In that event, it would be feasible to put an end to the anomalous and intolerable situation that has so long existed in Pennsylvania, in which hundreds of different local officials, without training or equipment for the work, have possessed and exercised the right to remove children from their homes in the name of the State, and then to provide for their future in the most slipshod and reckless fashion, without even reporting to the State, in whose name they have acted, as to the provision made and the later developments of the situation. The County Child Welfare Board could be made responsible for adjudging the fact of dependence; for determining whether aid could best be given in the child's own home or in another; for determining whether local public agencies were ade-

quate and satisfactory, or whether private agencies might be used to better advantage.

Even without this development, the plan proposed has many advantages over the present procedure. In the first place, it places all sections of the State on the same level, so far as access to the benefits of the State's children's fund is concerned. Second, it makes the State responsible for only a share of the cost of children's work, leaving the possibility for increasing or reducing that share open for further consideration, but meantime assuring to all sections and agencies equal treatment. Third, it establishes a definite minimum standard of service entitling an agency to State compensation, and allows for a sliding scale of compensation to agencies in accordance with the value of the service they render. Fourth, it relieves the State of responsibility for the support of children whose dependency is not adjudged necessary and desirable by responsible public officials, rather than by interested persons.

In inaugurating this change of procedure, it would be possible for the State to limit its appropriation for the care of dependent and neglected children to an amount not exceeding the appropriation for the purpose at the last session of the Legislature, and then by a clause in the act, similar to that suggested under A (8), provide for pro rata reductions from the earned allowances, in the event that the fund proved inadequate to the new demands. In the latter event, increased appropriations could be made at the next session, or the State's share of the cost could be reduced to suit the needs of the revenue situation.

(C) Appropriations for the care of the sick and the injured in hospitals.

This, the largest single item in the subsidy situation, requires still more careful consideration, but the same principles can be followed with safety in dealing with it.

It is recommended, therefore, that a single lump sum be appropriated for the care of the sick and injured in hospitals, and that the disbursement of this fund be upon requisition of the Commissioner of Public Welfare, in accordance with certain conditions and rules set forth in the appropriation act.

These conditions should include at least the following:

- (1) That hospitals desiring compensation for service under the act shall give notice of such desire to the Commissioner of Public

Welfare within thirty days after the passage of the act, or within thirty days after the commencement of the first fiscal year for which the appropriation is made;

(2) That within the same period the Commissioner of Public Welfare shall devise, with the approval of the Advisory Board of the Department, and shall publish a schedule of not more than seven classes of hospitals, such classes to be based upon standards of equipment, management and service, upon location, size or character of service, or upon any other reasonable basis of differentiation such that uniform compensation per patient per day of service for each class of hospitals would be reasonably just and equitable. This schedule shall also announce a maximum reasonable cost per patient per day in each class of hospitals, which costs shall be the basis of the State's compensation of hospitals of the respective classes to which they apply.

(3) That no hospital shall be entitled to receive compensation from the State for service rendered to any patient who is able to pay the full cost of that service, nor for whose service any person, corporation or estate is legally responsible and able to pay, in the light of investigations approved as to their adequacy by the Commissioner of Public Welfare;

(4) That no hospital shall be entitled to compensation, in the aggregate, for any quarter, exceeding 60% (or another reasonable proportion) of the actual cost to such hospital of the service for which the hospital is entitled to compensation under this act.

Procedure of certification, requisition, audit, warrant and payment would be exactly like that outlined in the two preceding sections.

In the light of the disclosures in the early sections of this report as to the variations and discrepancies in the compensation paid to the State to hospitals under the present system, the least that can be said for the proposed change of policy is that it would not suffer by comparison in these respects.

By providing for reasonable classification of hospitals, and for a sliding scale of compensation, depending upon the value and character of the service rendered, opportunity is afforded for taking account of special causes of expense, special facilities and treatment, in a way that would be fair to all concerned. Hospitals, for example, devoted to a particular specialty, requiring extensive

costly equipment and large personnel in proportion to number of patients, could be grouped in a class by themselves, by action of the State Department, and compensated at a higher rate than general hospitals operating under less expensive conditions. Teaching hospitals—those attached to and necessary integral parts of medical schools—could be grouped in a class by themselves and compensated accordingly. With respect to this special group, however, the wiser policy would probably be—if the State proposes to subsidize medical education at all—to make a specific appropriation to the school itself, rather than indirectly through the hospital, and then to place the hospital in a group with other institutions according to the equipment and service it actually maintains.

In any event, through reasonable, but not over-refined, classification, with sliding scale of compensation, special circumstance could govern, within fair limits, the State's compensation for service rendered.

The propriety and efficacy of uniform compensation for the same or equivalent service, as an inducement for economical and efficient management, need not here be dwelt upon. It would make impossible such indefensible discrepancies as stand out in *Table V* (page 258), from top to bottom of the list—discrepancies that, because of their utter planlessness, place a premium upon administrative laxity and indifference.

Note should be made here of the fact that this plan, as applied to all three classes of State appropriations to private agencies, differs in some important particulars from others that have been proposed, to accomplish the same purpose.

The chief difference is in the safeguards set up in this scheme against arbitrary executive action, as well as arbitrary legislative action.

Sweeping authority to buy social service from any acceptable agency, at any acceptable price, would undoubtedly be less liable to abuse, to injustice, and to extravagance, in the hands of an honest and capable administrator than the present system of distribution of these funds as legislative favors. Centralized responsibility and the spotlight of publicity would hold even weak or venal men in check when in administrative office, while the

group spirit and diffused responsibility in the Legislature easily override even powerful restraints against political aggrandizement at the expense of the State.

Yet there is danger of arbitrary, unprincipled executive action. In the hands of well-schooled politicians, the undisputed right to reward friends interested in specific institutions, or to punish enemies, would afford a temptation that would be difficult to resist, at least occasionally. For that reason, a proposal to grant to the Department of Public Welfare blanket authority to disburse funds for the care of children, of the sick, of the aged and infirm, is not approved, though it has alluring possibilities of relieving many of the evils of the present situation, and though under present conditions it would probably be effectively and faithfully administered.

Instead, it is proposed that the fund be disbursed only in accordance with rules laid down in the law, whose enforcement can be judged by facts open to public view. While the standards of service, which will determine the right of a given agency to participate in the subsidy fund, are to be formulated by the Commissioner, even this power is subject to the approval of an advisory board of citizens, who, while in sympathetic contact with the Commissioner, may be expected to exercise reasonably independent judgment and to represent a fair cross-section of opinion in the State. Furthermore, these standards are not subject to change in their application to individual institutions. They are established, once and for all, published to the world and subject to criticism. An abuse of discretion, in arbitrarily discriminating against an institution which believes itself to be within the standards approved by the Department as the basis of compensation, would be subject to instant public attack, on the basis of facts capable of being shown to all men. If an institution, that is, can show that it provides the equipment, the personnel, the service, demanded by the Department for agencies of its class, and still is excluded from State assistance, no administration could withstand the storm of protest which would be levelled at it from all quarters. This would not be the case, if the Department were to be given authority to buy service where it chose, without being required to conform to any fixed policy or standard of measurement.

On the other hand, a different proposal—to require payment

of compensation to institutions, in proportion to service, and then to continue the present lump sum appropriations to specific institutions, as maximum amounts payable to them respectively—would fail to accomplish two main purposes in view: It would not remove the appropriations from the perilous melee of Legislative politics, since it would still be possible to punish recalcitrant members and communities by reducing the maximum allowance to the institutions in which they were interested below a reasonable and just level, compared with others. It would not enable the State to protect itself against exorbitant costs in individual institutions, nor would it place all institutions rendering service to the State upon a plane of equality in their relations to the State. The legislature could refuse to grant an appropriation to an institution without just cause, just as before, and there would be no appeal. Justice and equality, between sections of the State and between institutions of the same class, can only be assured by granting compensation as a matter of right, not as an act of grace or favor, and by making the compensation for service as nearly automatic, and beyond the reach of favoritism or unsound discretion, either Legislative or Executive, as it is possible to put it.

There is one further consideration which requires attention. The Constitution of Pennsylvania requires that "No bill, except general appropriation bills, shall be passed containing more than one subject, which shall be clearly expressed in its title." In a prior section it is declared that "All other appropriation bills (except the general appropriation act) shall be made by separate bills each embracing but one subject."

On the strength of these injunctions, it has been frequently urged that any effort to combine into one appropriation bill the various sums proposed to be granted to numerous independent institutions would be unconstitutional and void. This would probably be the case if a large number of specific appropriations to designated institutions were to be combined into one measure, although even then, if the appropriations to the several institutions were made as specified items of one general appropriation, for one general purpose, there is at least some doubt whether the courts would find adequate ground for invalidating the act.

But if one appropriation were to be made for one single purpose, as "For the care and relief of the sick and injured in hospitals,"

or for the "Care and training of dependent children apart from their own homes," to be disbursed under stipulated conditions, but not to designated institutions, it is difficult to see how Constitutional objections could be sustained. The long-continued and uncontested legislative practice of making such an appropriation "For the maintenance of the indigent insane," would seem to justify the belief that this difficulty would not be insuperable.

There might be objection, however, to combining into one measure the three appropriations which have been herein recommended, and that is neither necessary nor advisable. Three measures represent a considerable improvement over 300. Furthermore, another alternative is at least possible. If all these appropriations could be included within the General Appropriation Act, the difficulty would be met

But there another Constitutional ghost arises. Article III, Section 15, of the Constitution, declares, "The general appropriation bill shall embrace nothing but appropriations for the ordinary expenses of the executive, legislative and judicial departments of the Commonwealth, interest on the public debt and for public schools. . . ."

Are these appropriations ordinary expenses of the "executive, legislative or judicial" departments of the government? At first glance, the answer would be apparently in the negative. But if the State, in the form herein proposed, accepted responsibility, without discrimination, for the care of the sick and injured, for example, retaining in its own hands the control of the funds expended, by making payments uniformly on a service compensation basis, could not this function of the government be construed as equally "an ordinary expense" of government, with the distribution of antitoxins to the poor, by the Health Department, for example?

It is not necessary to settle the question, which is one lawyers can wrestle with. In any event, whether the appropriations are made in the general act or in several independent ones, the effect would be the same, and the safe course would doubtless be the wise one. With an executive budget in sight, simplifying, and at the same time necessitating, the unified consideration of the great sources of expenditure of the State Government, there is new reason for dealing with these several branches of welfare expenditures

as large single items, rather than in 300 separate pieces. Any method which accomplishes that purpose, and at the same time insures an equitable, serviceable apportionment of the funds among the agencies serving the State, is to be welcomed and sustained.

VIII. Some Additional Testimony.

The subject of State appropriations to private charities has been a lively topic of discussion for years past, both in Pennsylvania and elsewhere. The testimony as to the disorderly, unsystematic, inequitable methods now employed is all but unanimous, while the proposal to place these appropriations upon the basis of compensation for service rendered has been overwhelmingly endorsed.

The official supervising body, the State Board of Public Charities, for thirty years advocated the adoption of some such principle. Practically every report from 1880 on contained some reference to the subject, until about 1905, when the Board apparently found itself helpless in the face of the combined pressure of special pleaders.

Sample expressions are contained in the following extracts from these annual reports:

1881.—“Unless the State shall adopt some clearly defined principle of annual grants to these private hospitals, based upon average number of patients, or other like considerations, it is difficult to see what other course we can pursue . . . (than to refuse recommendations for maintenance). . . . Between all these (applicants) it becomes well-nigh impossible to discriminate without doing injustice to those who are denied assistance. . . .”

1882.—The Board reports at length upon violations of law by the institutions, declaring that certain appropriations had been drawn from the treasury although the conditions attached (including the maintenance of free beds) had not been complied with. Money appropriated for buildings had not been expended for that purpose. Institutions continue to make application to the Legislature (and to receive appropriations) without submitting applications to the Board as required by law.

1886.—“The distribution of these favors (sic) to different localities should bear a certain proportion to population and taxation, the same class of institutions being aided proportionately in different sections of the State.”

1887.—“Undoubtedly much greater system than now prevails would be desirable, and aid, when granted, should be distributed more evenly than it has been in the past, both to localities and to classes of institutions.”

1890.—“In extending aid to these institutions care must be taken lest private benefactions be allowed to diminish.” (Here is recognition of the principle discussed in the report, that the State should not bear the whole burden of support, but that localities should be expected to contribute a reasonable proportion of the cost.)

1897.—“We reiterate our suggestion that a uniform amount be appropriated to hospitals for the support of each indigent case in their wards. This would operate more equitably throughout the State and prevent complaints of unequal distribution of the State funds, which cannot be avoided in the existing state of affairs.”

1899.—State aid “seems to be in a chaotic state which, under present conditions, tends to increase in complexity, because being subject to no fixed rule or system, it has, at last, to depend on the actual personal investigation of each individual legislator, modified only by whatever consideration he may think due to the recommendations of the Board. . . .”

“The Board has not yet seen its way to recommend any rigid or invariable rule on these subjects, but it is quite probable that the leading principles of the County Care Act of 1897 (per capita per week allowance for the care of the insane) may at some future time be extended with suitable modifications to other necessary public charities.” Under such a plan, says the Board, “it would be possible to avoid the waste and even mischief which invariably follow all charitable gifts that are disorderly or ill-judged or based upon ephemeral emotions.”

1900.—The same matter is broached, and the Board urges that aid be extended on some uniform and equitable plan. It reports its determination to recommend no grant except some fair proportion, say one-half or two-thirds, of “a fair average daily cost per capita on the average number of inmates during the previous year.” How far the Board’s recommendations thereafter, and the legislative grants, varied from this sound policy, has been shown in the early sections of this report.

1901.—“Some more uniform law should be passed whereby the aid granted by the State should be distributed without discrimination to the institutions within its borders.”

1902.—“Some more systematic method must be adopted whereby the aid given will apply more equitably to the different sections of the State, etc.”

1905.—Urges that each hospital receive from the State a uniform amount for each indigent patient treated. It would do away, says the Secretary’s report, “with what is now a growing evil, the institution with great influence being able, under the present system, to secure a much larger appropriation than is possible to a similar institution doing the same service but not possessing the same influence.”

Several official investigating commissions have given the problem some consideration, among the most important being the Special Commission on State Taxation, in 1911, which studied the matter as one of the important phases of State expenditure to be considered in any provision of State revenues.

Its first report, 1911, described the process of appropriation in three stages—the action of the Board of Public Charities, the action of the Legislature, and the action of the Governor—and stated the following interesting conclusions:

The result of these three operations, all proceeding without rule, without the opportunity for hearing in many cases, and without the balancing of conflicting claims, results in the disproportion evidenced in the figures already given. . . .

Your committee recommends that such appropriations be made only for maintenance, and that the sums be apportioned to the free public aid given by the institution. . . .

The State aid, therefore, to each private charitable institution should be in the form of a fixed sum for each day a free patient is treated therein. . . .

In order not unduly to increase appropriations to charity, only part of such cost should be assumed by the State, and your committee recommends that State aid be confined to two-thirds of the sum so expended.

The testimony upon which these conclusions were based was voluminous and authoritative. It represented the judgment both of public officials and of private citizens, of those interested in sound public finance and of those devoted to the promotion of welfare enterprises, of those connected with institutions receiving State aid and of those concerned with non-aided agencies.

A few extracts will suffice to show how widespread is the conviction that the present system is indefensible and in imperative need of reorganization along the general lines advocated in this report:

John Cadwallader, Philadelphia, when questioned by the members of the Commission as to the advisability of applying the per capita per diem system to distribution of hospital subsidies, responded:

I think it is the only proper way, for the purpose of estimating the proper amount, and I should suppose that hospitals would be very glad to have it. I rather regret any tendency to put at the disposal of any body of men, legislative or any other, general funds in which the distribution is more or less dependent upon interest or pressure. I think the distribution should be, as clearly as possible, defined by law. I think it would lead to economy and justice.

William B. Hackenburg, Philadelphia, Jewish Hospital:

It seems to me that a more equitable plan might be arranged for State help to our hospitals and other charitable institutions. . . . for instance, a per capita allowance for each day's support of indigent or worthy non-paying patients, or a per diem amount for the total number of days furnished to free patients, to be paid monthly or quarterly.

Dr. Alice M. Seabrook, representing the Woman's Hospital, Philadelphia:

Personally, from my experience in hospitals, I think I should like to have the appropriations made on the number of days that we treated patients.

Dr. Maitland Alexander, Allegheny General Hospital, Pittsburgh:

There ought to be only three questions which would be involved in the granting of that money by the State: First, the amount of charitable work done; second, the way in which it is done; third, the locality, in relation to its cost of maintenance. (It will be noted that the provision for classification of hospitals in this report provides a means of taking all these factors into consideration.)

General A. J. Logan, Pittsburgh:

I believe the best system would be obtained by the maintenance of an appropriation based upon the number of charity patients that had been treated by the hospitals—the per capita basis.

Mr. George B. Logan, Presbyterian Hospital, Pittsburgh:

I agree with what General Logan said about the per capita basis.

Mr. Francis J. Torrance, Pittsburgh, for many years President of the State Board of Public Charities:

The ideal condition or plan would be something similar to that by which the insane, deaf, dumb and blind are now being considered. . . . (that is, the per capita plan).

In response to a question whether the present unsystematic distribution did not encourage unnecessary duplication of institutions, as for instance, by assuring support of institutions brought about through personal quarrels of physicians, Mr. Torrance replied:

No doubt about that. Then the State is asked to assist in maintaining two institutions where one would suffice.

Dr. G. M. Lippert, Phoenixville Hospital:

All parties interested either directly or in a general way as citizens, seem to be agreed that a different method or system is indicated in determining appropriations for State aid to hospitals, etc. It has been suggested to base the measure of their support on the amount of charity work actually done by these institutions. This seems to me the most equitable and just method of apportioning the amount at the disposal of the State for charitable purposes.

Former State Senator E. F. Blewitt:

The appropriations to hospitals as given by the Legislature are wrong. There is something wrong with the principle. Some of them are getting larger appropriations by political stamina; others for some other reason.

Frederick W. Fleitz, Scranton:

The appropriations should be based upon maintenance, at a certain fixed rate per patient, and bear some relation to the number of free patients treated in the hospital during the preceding two years. If the State should adopt a plan of paying 75% of the actual cost of the indigent treated in these hospitals it would be a good thing. . . .

A questioner remarked that the State supplied a certain percentage of the total cost under the present system, to which Mr. Fleitz replied:

That is true, but some institutions get 80% of their entire cost, others get 25% to 30%. The one getting 30% may be doing a great deal more charitable work, in proportion to the number of people in its wards, than the one getting 80%. I think there should be some notice given that after the next Legislature 75% to 80% of the cost of maintenance of the indigent would be given to them.

Dr. Lawrence F. Flick, Philadelphia, when asked what he thought of the per capita basis of appropriations, responded:

I think it would be a much fairer system than we have now. I think there should be a class for educational institutions by themselves; they have to have a higher basis (that is, a higher per capita per diem allowance). (The possibility of separate classification of hospitals connected with medical schools has been mentioned in the report, with the suggestion that a preferable method of subsidizing these institutions would be by direct appropriation to the schools, rather than by indirect subsidies through higher hospital allowances.)

The State Medical Society has repeatedly been the forum of similar discussions. One of the most outspoken statements made before the Society on the subject was that by Dr. John B. Roberts, of Philadelphia, in 1909. He said:

The disastrous effects of these large donations from the State upon the integrity of trustees of hospitals, of the medical profession, of the public at large and of the official class is doubtless great. I do not know how to measure it. The honesty of the whole State has been put to a test by years of plunder, which I fear it has not been able to stand.

Before the Philadelphia County Medical Society in 1909, Dr. Roberts reiterated his fears, and suggested, as an improvement over the present situation, that:

Appropriations have a definite relation to the contributions from private sources, the ratio being the same for all hospitals or, at least, for all hospitals of the same class.

He suggested it might be necessary to classify hospitals in groups according to size, situation or other characteristics. The amount granted should never be determined by political, social or other influence. The sums given for maintenance might be a per diem amount for each indigent patient treated in the hospital beds. (It will be noted that the recommendations in this report are substantially in line with these suggestions.)

Ten years ago a Committee on Municipal Charities of Philadelphia, composed of eminent physicians and other representative citizens, paid some attention to this problem. The sub-committee on hospitals, composed of Dr. R. H. Harte, Chairman; Dr. R. V. Patterson, Dr. Charles H. Frazier, Dr. James M. Anders, Joseph N. Snellenburg, George H. McFadden, Frank Miles Day and Dr. W. M. L. Coplin, emphasized another evil of the present situation which is of some moment, though not considered at length in this report:

The present wire-pulling methods of securing State appropriations are condemned because they result in developing hospitals where not needed and conversely fail to develop hospitals in accordance with community needs.

A special committee of the State Conference on Charities and Corrections, composed of Hon. Frank B. McClain, Allen T. Burns, William B. Buck, Fred W. Fuller, Esq., and Dr. H. J. Sommer, after a serious study of the problem, reported to the Conference in 1912 their solemn judgment that:

At the present time there is no scientific basis on which the amounts appropriated to these different classes of institutions or to the different institutions in each class are apportioned. A small local hospital in the northern tier of counties sometimes receives a larger appropriation than a State-wide agency caring for hundreds of beneficiaries most of whom would otherwise be a charge upon public funds. One of the thirty-five general hospitals in Philadelphia under private management received a larger appropriation from the last Legislature than was given the Eastern Penitentiary.

A prominent and influential member of the same Committee, the late Robert K. Young, formerly State Treasurer and Auditor-General, while unwilling to sign the report, because he had not participated in its preparation, expressed his unqualified approval of its statements and conclusions. At another time and place he even more forcefully expressed his disapproval of the present system in these words:

The system of appropriations to private charitable and eleemosynary institutions, not to mention the large number of institutions which cannot by the wildest fancy be entitled thereto under any plan of equitable distribution, is unsound, unbusinesslike and uneconomic; it is demoralizing in its effect not only upon the Legislature, but upon the recipients of the State's bounty.

This testimony may well be concluded with the careful but weighty words of such distinguished publicists as the late Samuel Dickson, Esq., and the Hon. Alexander Simpson, Jr., now Justice of the Supreme Court of Pennsylvania. Each in his turn, in his annual address as President of the State Bar Association, adverted to this subject.

In 1896, Mr. Dickson uttered this warning:

Every one of these appropriations must have been the subject of direct appeal to committees of the Legislature, and of communication with many individual members. The mere waste of time is not a slight evil, but it is not the worst. The tendency of such appeals and of such appropriations is the same as in the case of private charters and other special legislation. Solicitation and importunity from the outside will sooner or later meet with exactions from the inside; and if these matters shall once be made the subject of chaffer or bargain, the office of lawmakers will again become one of profit.

The fact that since Mr. Dickson's warning laws have been passed preventing personal lobbying by representatives of the institutions, has not removed the danger that these appropriations

may be made subjects of trading and dickering among members of the legislature, with effects reaching far outside of Legislative halls.

Mr. Simpson, six years after Mr. Dickson's message to the Bar Association, from the same platform repeated the warning, in even more direct language:

Since that time the appropriations to charities have largely increased, and when it is remembered that votes thus obtained are sometimes openly expressed to be, and oftentimes hinted to be, upon the implied agreement that the importuning friends of the favored charity will assist the legislator to re-election, or will further his ambition for a more lucrative office; and when we see our best and most charitable citizens not only hampered by, but yielding to, the requirements of that implied bargain, it would appear wise to now give the matter a little further consideration. . . .

Log-rolling, or begging from him who is dealing with public funds, is demoralizing in the extreme. . . . From every standpoint, therefore, we cannot too frequently call particular attention to this matter, lest in the press of more personal affairs it may be lost sight of until great scandal has rudely dragged it into public view.

So dangerous did the situation appear to Mr. Simpson that at that time he urged a Constitutional amendment absolutely prohibiting public subsidies to private agencies. True to his faith, Mr. Simpson, nearly twenty years later, when the subject was under consideration of the Constitutional Revision Commission in 1920, urged and submitted an amendment to the same effect.

This Commission's report and recommendation may well close the discussion in this place. While unwilling to accept Mr. Simpson's suggestion that subsidies be immediately abandoned, or even another proposal that they be gradually eliminated over a period of years, the Commission went on record unanimously to the effect that the present system was gravely unsatisfactory. A large part of the time of the Commission was given to a discussion of this subject, and its recommendations for Constitutional amendment, to remedy the defects of the present situation, carry implications and convey intentions practically identical with the recommendations contained in this report. It is proper to say that the Commission's conclusions were concurred in, and largely influenced by, a committee of representatives of hospitals in Philadelphia and throughout the State.

While the proposals in this report are suggested for statutory and administrative action, Constitutional changes to perpetuate and protect the proposed changes of policy are greatly to be

desired at the first moment when Constitutional Revision can be again undertaken.

The recommendations of the Commission with respect to this matter are linked with its recommendation with respect to the budget, of which State aid to private institutions was to be made an integral part. The particular method of appropriation and distribution recommended was contained in an independent section, Section 13, of Article III, of the proposed Constitution, which follows:

An appropriation for charitable, educational or benevolent purposes may be made to a class of corporations, associations or institutions not under the absolute control of the State government, engaged in work for the public good, as such classes may be defined by law. Such work or service shall conform to standards of excellence prescribed by law or by an agency created by law.

An appropriation to such a class shall be divided among its members in accordance with a plan uniform in its application to them as prescribed by law. No law shall designate such a corporation, association or institution as the beneficiary of an appropriation.

Each item containing such an appropriation shall be voted on separately in each house before final action is taken upon the bill of which it is a part and shall be stricken from the bill unless it shall receive the support of two-thirds the members elected. The votes of each house shall be taken by yeas and nays and the names of the members voting for and of those voting against the item shall be entered upon the journal.

Corporations, associations and institutions receiving such appropriations shall account therefor to the general assembly or to an agency prescribed by law and shall be subject to inspection by the State government.

In enumerating various kinds of appropriations which may be made by the Legislature, more or less contrary to various provisions of the proposed Constitution designed to prevent special appropriations, the Commission included appropriations "for the payment to funds under public control for the benefit of classes of persons who are to be the recipients of public assistance." The Commission retained the present prohibition against appropriations to denominational or sectarian agencies.

It is clear that the proposed method of appropriation of funds for the assistance of private agencies is practically identical with the proposal contained in this report.

The Commission, in the first place, expressly would forbid appropriations to designated institutions by the Legislature. It would require appropriations to *classes* of agencies, as such classes may be defined by law; that is, it would leave to the Legislature to determine what kinds of work and what kinds of institutions should be aided, and the total amount to be distributed among

the members of such a class. It would then require that the Legislature establish a general plan of distribution, "uniform in its application" to all the members of the class. It would authorize standards to be imposed, as to excellence of service, upon those receiving State funds. It would authorize thorough-going accounting to the State and thorough-going inspection by the State.

All these provisions are included in the plan herein described and recommended.

The testimony assembled above is obviously but a small part of that available to any investigator. It is ample, however, to demonstrate that the proposals herein made are neither fantastic nor radical, but in line with the deliberate conclusions of intelligent observers of every party, every group and every section of the State.

IX. Summary and Conclusion.

It probably is unnecessary to add that the plan of restricting and controlling the further development of State appropriations to private agencies recommended in this report, is not presented as the only plan available in the circumstances. It is proposed as one sound plan whose application to the present situation would result in certain economies and increased efficiency in the use of State funds. Its details would have to be adjusted to the general scheme of State finance, and would, of course, be subject to such modification as experienced legislators would suggest, in the interest of simplicity, definiteness and certainty of Legislative action.

Only three essential principles are insisted upon as necessary for the satisfactory handling of this problem:

(1) *The Legislature should not designate appropriations to individual institutions, since such appropriations inevitably become more or less arbitrary, unscientific and inequitable; they open the way for harmful pressure and trading of political and personal interests and for the use of the appropriations as weapons in the control of other legislation;*

(2) *The distribution of the funds among agencies of a given kind should be on an automatic basis, if possible; determined by fact, not discretion, and in accordance with general rule which entitles all*

agencies, conforming to standards acceptable to the State, to compensation in proportion to the service they render to the State;

(3) State funds should be expended only for service to those who are in actual need of State help, should be under the strictest control of the State, and should contribute to the development of a foresighted, well-planned and comprehensive system of welfare activities, covering the whole State.

Any system that accomplishes these three purposes, whether it agrees in detail with the plan here proposed or not, would be a notable improvement over the present situation.

In the absence of such thorough-going change of policy, it remains for the Governor, in co-operation with the Commissioner of Public Welfare, to exercise the full authority of his office to bring the appropriation acts that carry his signature into reasonable accord with the general principle of *compensation for service*. By announcing his determination to approve for no agency an appropriation larger than the compensation it has earned, in the light of its reports, for service to actual patients unable to pay for that service, and by living up to that promise, the Governor of Pennsylvania would soon disarm and destroy unreasonable opposition to more thorough reforms. It is because present appropriations, however inequitable and indefensible, "get by" and become law, that greedy interests continue to cling to the discredited system now in vogue. If once the log-rolling, wire-pulling, blind, haphazard methods were to be brought to naught by vigorous executive action, so far as the executive authority could be made to reach, the hope of a return to the old regime would grow dim, and the united influence of those who seek only justice and fair play would soon perpetuate the new order through Legislative action.

